

Current History

A WORLD AFFAIRS MONTHLY

AUGUST, 1972

FINANCING AMERICA'S SCHOOLS TOMORROW

| | | |
|---|--------------------------|-------------------|
| CHANGING INFLUENCES IN AMERICAN EDUCATION | <i>Wilbur J. Cohen</i> | 49 |
| THE JUDICIARY AND PUBLIC SCHOOL FINANCING | <i>Richard M. Pious</i> | 53 |
| EXTERNAL AND INTERNAL EDUCATION VOUCHERS ... | <i>Mario D. Fantini</i> | 58 |
| PROS AND CONS OF PUBLIC FUNDING FOR CATHOLIC SCHOOLS | <i>Ernest Bartell</i> | 62 |
| PRIVATE SCHOOLS AND THE PUBLIC INTEREST | <i>Otto F. Kraushaar</i> | 68 |
| THE INDEPENDENT PUBLIC SCHOOLS | <i>Susan S. Egan</i> | 73 |
| THE CASE FOR FULL FEDERAL FUNDING OF EDUCATION | <i>John J. Callahan</i> | 76 |
| FULL FEDERAL FUNDING: EDUCATIONAL NIGHTMARE | <i>Joel S. Berke</i> | 80 |
| CURRENT DOCUMENTS • <i>Wisconsin v. Yoder, 1972</i> | | 82 |
| BOOK REVIEWS • <i>On Education</i> | | |
| • <i>Readings on American School Finance, Part II</i> | | 83 |
| THE MONTH IN REVIEW | | 91 |
| GRAPH • <i>State Spending for Local Schools</i> | | Inside Back Cover |

Current History

FOUNDED IN 1914

AUGUST, 1972
VOLUME 63 NUMBER 372

Editor:

CAROL L. THOMPSON

Assistant Editors:

MARY M. ANDERBERG

JOAN B. ANTELL

•

Contributing Editors:

ROSS N. BERKES

University of Southern California

RICHARD BUTWELL

State University of New York

MICHAEL T. FLORINSKY

Columbia University, Emeritus

HANS W. GATZKE

Yale University

MARSHALL I. GOLDMAN

Wellesley College

NORMAN A. GRAEBNER

University of Virginia

OSCAR HANDLIN

Harvard University

STEPHEN D. KERTESZ

University of Notre Dame

NORMAN D. PALMER

University of Pennsylvania

CARROLL QUIGLEY

Georgetown University

JOHN P. ROCHE

Brandeis University

A. L. ROWSE

All Souls College, Oxford

ALVIN Z. RUBINSTEIN

University of Pennsylvania

HARRY R. RUDIN

Yale University

FREDERICK L. SCHUMAN

Portland State College

RICHARD VAN ALSTYNE

University of the Pacific

COLSTON E. WARNE

Amherst College

ARTHUR P. WHITAKER

University of Pennsylvania, Emeritus

•

President and Publisher:

DANIEL G. REDMOND, JR.

Vice President:

ELBERT P. THOMPSON

Published monthly by Current History, Inc., 4225 Main St., Phila., Pa. 19127. Second class postage paid at Phila., Pa., and additional mailing offices. Indexed in *The Reader's Guide to Periodical Literature*. Individual copies may be secured by writing to the publication office. No responsibility is assumed for the return of unsolicited manuscripts. Copyright © 1972, by Current History, Inc.

Coming Next Month

MAINLAND CHINA, 1972

Our September, 1972, issue focuses on the foreign and domestic policies of the People's Republic of China, as the Chinese nation moves into a new relationship with the United States. Articles deal with:

The Chinese Military and the Struggle for Power

by RALPH L. POWELL, American University

Sino-American Relations

by FRANZ MICHAELS, George Washington University

Sino-Soviet Relations

by O. EDMUND CLUBB, U.S. Foreign Service Officer
(Retired)

China and Her Asian Neighbors

by RICHARD BUTWELL, State University of New York

China and East Europe

by ANTON LOGORECI, specialist on East European affairs

China's Economy

by KUAN-I CHEN, State University of New York

China's Trade

by JAN S. PRYBYLA, The Pennsylvania State University

\$1.00 a copy • \$9.50 a year

Canada \$10.00 a year • Foreign \$10.50 a year

Please see back cover for quantity purchase rates.

NO ADVERTISING

Current History

AUGUST, 1972

VOL. 63, NO. 372

What changes will be made in the patterns of American school finance in the 1970's? What changes will be made in American schools? In this last issue of our three-part symposium on financing American education, specialists evaluate current trends in school finance and discuss the alternatives open to the American people. As our introductory article indicates: "The concept of the monolithic public democratic school served an important purpose in the early decades of this century . . . but a monolithic structure is very unreal in the kind of society we seem to be developing now."

Changing Influences in American Education

BY WILBUR J. COHEN

Dean of the School of Education, The University of Michigan

A GALLUP POLL published early in 1972 showed that 28 per cent of persons surveyed in the United States were dissatisfied with their children's education. This figure compared with the 54 per cent dissatisfied with their work. The dissatisfaction with education was approximately the same as dissatisfaction with the individual's housing situation (23 per cent), and the family's future (30 per cent). The proportion that were satisfied with their children's education, however, was 60 per cent, with 12 per cent having no opinion.

A 1971 survey of teachers by the National Education Association showed that not quite 5 in 10 thought teaching as a profession was getting better; 4 in 10 thought it was getting worse, and 1 in 10 thought that the profession was staying about the same as before. As school-system size increased, there was a corresponding increase in the percentage of teachers who thought that teaching as a profession was getting worse.

These expressions of divergent views about education among parents and teachers could be shown to exist among students as well. At the same time, the taxpayer has expressed his strong support for education by increasing the proportion of the gross national product devoted to all levels of education (public and private) from about 4 per cent in 1950 to 5 per cent by the mid-1960's, 6 per cent by 1968, and close to 7 per cent at the present time. This is a striking

increase, although it is not clear whether this financial support is reluctant or enthusiastic.

Education is a large and growing enterprise in the American economy: it involves, at all levels, some 3.25 million teachers and staff in schools, some 60 million students, and over 125,000 board members. It is largely a "socialized" enterprise, involving about five per cent of the nation's labor force employed by governmental agencies on a salary basis, with the facilities owned and operated by governmental agencies. But private nonprofit agencies play a very significant role in educational operations and policy, while private profit-making enterprises in book and magazine publishing, audio-visual and media equipment and materials, and research and evaluation play an important part in the development and dissemination of materials and aids to teachers, students and institutions.

So many changes have been taking place in education and society recently that it is not possible to portray comprehensively what these changes are, or how they affect all the participants in the system, much less to identify, with precision, the implications for the future.

The very nature of education makes it subject to change over time and the rapid process of economic, social and scientific developments in recent years has affected educational policy and practice. At the same time, there are some common and persistent

elements in educational goals. Each generation and each period of historical change tend to pour the educational wine into different educational bottles, and then carefully save the bottles so that another generation may pour the wine back into them. The methods of pouring the wine back and forth change, but the bottles change very little.

In one sense, there is nothing basically very new in all the recent proposals for educational change. In one way or another, most so-called "innovations" probably have been tried or proposed somewhere or sometime before. And, by various criteria, most educational innovations turn out to be, at best, partially successful, and partially unsuccessful. The proportion of success may vary from time to time or place to place.

TEN AREAS OF CHANGE

A full listing of the many changes under way in American education would require several volumes. A selected list of ten areas of change is only an indication of less than one-tenth of the iceberg floating on the educational seas. In the following discussion, ten factors are outlined which may play a part in changing the educational system, the society, and the way in which our children and grandchildren may function in the remaining three decades of this century.

1. *Changes in Financing School Expenditures.* The current criticism of the local residential property tax as an unsatisfactory method of financing elementary and secondary education is very likely to result in a number of changes affecting not only the financing but the control and leadership of education. The property tax is an inflexible and unprogressive method of meeting the needs of a dynamic and growing society. Many local millage increases for school financing have been defeated in recent years. This has happened in wealthy communities, in middle-income communities, and in poor communities. We have failed to realize that we now have a larger proportion of older persons on fixed incomes. More and more of these older people, when confronted with a vote for an increased property tax on their homes, realize that they are voting for a reduction in their standard of living. Since they are on fixed incomes, whether social security or a private pension, they have no immediate way to get the increased income to pay the property tax.

Our population is getting older. In 1930, less than 6 per cent of the population of the United States was over age 65; 10 per cent now is, and the figure is going up. It stands to reason that the property tax is no longer a sound basis on which to obtain the amount of money we require to run an educational system that is consistent with our ideals and needs.

As state and federal governments assume a larger portion of the cost of education, they will undoubtedly also play a larger role in policy and leadership. The old stereotype of "local control" of education may give way to a new partnership between the three levels of government, parents, and students; a partnership which may be forged amidst much pain and suffering. Despite the stresses and strains in the financing of education in recent years, the fact is that the people of the United States have been contributing more for education, in both absolute and relative terms, than they have in any other period in our history, and it is likely that this trend will continue in the coming decade.

2. *Early Childhood Education.* For a long time schools looked upon programs for children under age five as babysitting or day-care custodial operations. The desperate need for funds in the regular elementary and secondary public schools precluded any substantial local or state financial aid for preschool operations. As a result, voluntary and profit-making enterprises took the leadership in this area away from the public school system. The recent surge of interest in the potentialities of preserving and enhancing the creativity, motivation and learning capacity among very young children has been phenomenal. Its possible impact on children, parents and the school system is unclear, but there is a belief and a hope that it can and will be substantial. The likelihood that this area will be financed almost wholly by the federal government has many ramifications.

It is also clear that we must not become tied to just "one" system of providing early childhood education. There are many different alternatives which should continue to be explored. Various programs could be built on different theoretical bases. These could include, for example, a cognitive-oriented curriculum, an academically oriented program, or the Montessori system. There is no doubt that with different emphases programs should and will be developed in this crucial area. Nor should we become tied to any "fixed" idea of what early childhood education involves in terms of formal organization. In some areas, the need may be met by developing formal child-care centers; in other areas, perhaps, the emphasis should be upon training an adequate supply of paraprofessional and minority personnel who will provide family care in their own homes. We should try to establish a choice of facilities and services in which parents may enroll their children. The diversity which characterizes our society should be and probably will be reflected in the evolution of early childhood education.

3. *Desegregation, Busing and Quality Education.* The heated controversies over *de jure* and *de facto* segregation in schools and neighborhoods, and the intense flare-ups and political frustrations over busing

to redress segregation, all seem to point in one direction: the vital necessity of improving schooling. The emotional issue of busing must inevitably be viewed in the larger context of the practical alternatives necessary to improve the quality of education.

Busing is neither a panacea for all the ills which currently beset education, nor is it *per se* an evil to be avoided at all costs. It can help, and it has helped, to improve the quality of education. On the other hand, if prejudice, hostility and failure to improve the quality of education exist and persist in a local area, busing by itself will not resolve the difficulty, but may intensify it. Consequently, busing must be viewed as one possible method for dealing with some of the problems of education at the local level, but not the only, or even the primary, method of overcoming these problems.

It is unrealistic to advocate a uniform federal policy which denies to a local school district or to the courts the opportunity to utilize busing to meet the needs of that particular situation. The recent debate on busing has served to obfuscate one of the greatest problems facing our society: the isolation of groups within our society with a resultant harvest of fear, ignorance, and lack of concern. Any educational policy which has as its aim the maintenance of barriers to understanding and which forecloses opportunities to perceive the diversity which has given such strength to our society is invalid for our day and age.

A quality education is not one that involves just the traditional "three R's." Our children are growing up in a complex world filled with great diversity of cultures. They must be prepared, in their schooling, to function successfully in this ever-changing world.

4. *Collective Bargaining.* The role of collective bargaining in the educational system has many obvious, as well as subtle, reverberations on educational policies and practices. There is every indication that the extent and importance of collective bargaining will increase. And there is a likelihood that collective bargaining will move from the local area to the state-wide level.

Accompanying this broadening of operations, various teacher unions and associations may merge to secure a united organization in negotiating with their employers. And, as collective bargaining moves beyond the local area, there will be great efforts made to secure uniformity of pay-scales and benefits for employees in the educational field. This would certainly have an effect upon the methods by which school districts raise the money to pay their employees. The possibility that school administration will be decentralized, that some children will be bused out of their home areas, and that teachers will be hired from hitherto under-represented minority

groups, may also have an impact on the scope of collective bargaining and the way in which the school system functions.

The unions and educational associations have also indicated a willingness to enter into another area which has, until now, been unorganized: the realm of higher education. We are currently witnessing an effort to organize university faculty and staff, and this process shows signs that it will continue in the coming decade. This could produce significant changes in the organization and management of our universities and colleges. The notion of a university existing as a "community of scholars" may undergo some changes if the relationship between faculty and administration is on more of an employee-employer basis. How this will affect the entire educational system, including the training of teachers, will warrant careful study.

5. *Substitutions for Teacher Certification.* Increasing dissatisfaction with course-credit credentials for certifying teachers has resulted in proposals for performance or competency-based teacher certification. This goal is still far from being realized, but the next few years will see great efforts made to develop objective criteria for evaluating the quality of teacher performance.

The movement for periodic re-examination of competency, which has been most pronounced recently in medical care, will affect education as well as other professional fields. The long-run implications of competency evaluation coupled with collective bargaining and additional funds for education could be profound. These factors could have a great impact on the content of teacher education. It seems likely that more practice-teaching, coupled with increased supervision, may be among the requirements for teacher education in the future. Schools of education may have to reexamine their curriculum and training programs periodically to insure that those who are certified have the qualities necessary for competent teaching in a rapidly changing world. We shall, no doubt, see even greater emphasis placed upon a variety of approaches, emphases and experiences at all levels of education as a result of interest in a multi-ethnic approach to education.

6. *Innovation and Experimentation.* The radically changing values in our society, the increased tempo of scientific and technological change, the new and varied life styles that are evolving, and the greater leisure and discretionary incomes which are developing are all factors affecting educational change. Who knows what the economy and environment will be in the year 2010 when the current six-year-olds entering school will be the parents and voters in the society of the next century. With new or different perspectives on life styles and conduct, perhaps some of the old forms of instruction will take on new value. A

voucher system that is unacceptable while segregation and church-run schools exist may be acceptable under different circumstances or at another moment. Compulsory education, so necessary at one stage of history, may be repealed in part or may give way to other laws affecting the education of parents as well as students at another time. The 180-day school year may be replaced by other schedules which might utilize the available facilities more efficiently. Students may move in and out of the educational system over a period of time.

In his provocative book, *Future Shock*,¹ Alvin Toffler suggests that curriculum requirements must be justified in terms of the future:

Should all children be required to study algebra? Might they not benefit more from studying probability? Logic? Computer programming? Philosophy? Aesthetics? Mass Communications? Why, for example, must teaching be organized around such fixed disciplines as English, economics, mathematics or biology? Why not around stages of the human life cycle: a course on birth, childhood, adolescence, marriage, career, retirement, death? Or around contemporary social problems? Or around significant technologies of the past and future? Or around countless other imaginable alternatives?

We should create the means in our educational establishment to explore some of these "countless other imaginable alternatives." Sometimes the "outrageous" alternative of one period becomes the "inevitable" of another. There have been suggestions that in each community we develop some schools with widely different approaches in the curriculum and give parents and students an option as to which school and curriculum they wish to select. Our public school system should and could provide more choices and options. The concept of the monolithic public democratic school served an important purpose in the early decades of this century in drawing together the citizens of this country, but a monolithic structure is very unreal in the kind of society we seem to be developing now. An affluent society that respects variations in human personality and recognizes differing levels of aspiration may well try to develop many different kinds of schools.

7. *Teacher Shortage and Teacher Surplus.* The teacher shortage of the 1950's has turned into a teacher surplus in the 1970's. The challenge now is that schools of education can turn more of their resources from the demand for quantity to the urgent need for quality. But the task is not a simple one, nor is it easily achieved. It will mean substantially increased salaries for teachers in relation to salaries for other comparable work. It should mean more men in elementary education. The possibility of developing teachers, researchers, administrators and paraprofessional aides for early childhood education

will place a new responsibility on teacher training. And schools of education will have to revise their programs to recruit more teachers for minority groups, the disadvantaged, the gifted and other special needs. Schools of education will also be charged with the responsibility of developing educational programs to facilitate the acquisition of skills and the renewal of knowledge by teachers already in the system.

If we expand our early childhood education programs dramatically, the demand for teachers in this area would shift immediately from the surplus that exists at the present time to a vast shortage. The desirable ratio of teachers to students in the early childhood period is in the range of one to five or six, as compared to one to twenty-five or one to thirty in the existing elementary and secondary school systems. The demand for teachers in early childhood education programs may result in increases in salaries in the elementary and secondary teaching area, which would have a bearing on the financing of education.

The area of continuing education could encompass a far larger percentage of the population than has previously been the case. We might see the integration of previously small and isolated adult education and continuing education programs into the mainstream of academic life as interest in lifetime learning expands. When the idea that education does not end at age 21 or 25 is universally accepted, the implementation of lifetime learning could revolutionize both education and society.

8. *Parent Involvement and Student Participation.* Recent developments indicate that some parents and students believe they can and should play a more effective role in the educational process. Parent involvement in the professional and policy aspects of education is likely to have substantial implications for school boards, administrators; teachers and students. The next decade may see a renewed interest in facilitating communication between those charged with the responsibility of educating the child and that child's parents.

There is a great likelihood that significant developments in making pre- and post-natal child care universally available will take place within the next decade. It is conceivable that one thrust of expanded early childhood education and health services may be in the direction of educating the parents of a child even before that child enters into the formal school system. Because of the small number of professionals

(Continued on page 85)

Wilbur J. Cohen was Secretary of Health, Education, and Welfare (1968-1969), having served as Assistant Secretary (1961-1965), and Under Secretary to John Gardner (1965-1968). Mr. Cohen was responsible for piloting some 40 education bills through Congress during the 1960's.

¹ New York: Random House, 1970.

Analyzing recent state and federal court decisions applying the fiscal neutrality rule to school finance, this author points out that "A promising social reform movement may end up hurting the very population it was originally designed to protect."

The Judiciary and Public School Financing

BY RICHARD M. PIOUS

Assistant Professor of Political Science, York University, Toronto

THE TRADITIONAL METHODS of financing public elementary and secondary education in America are now under attack: lawsuits in over half the states have challenged the constitutionality of school finance legislation, and governors and state legislatures are considering programs designed to replace the local property tax as a source for school revenues.

School districts finance public education through four sources of revenue: local taxes based on assessed property valuation; state subventions to the districts; federal aid to districts, such as the Elementary and Secondary Education Act and the Impacted Areas legislation; and borrowings on the private bond markets for capital construction. The main reason for the disparity in district expenditures results from the fact that assessed property valuation differs greatly from district to district, so that in many cases poorer districts tax themselves at high rates and gain less revenue than wealthier districts which tax themselves at low rates. State and federal programs are designed either to be "fiscally neutral" or to favor the poorer districts, but their equalizing effect is slight. At times the state and federal programs have a negative effect on the equalization of district expenditures.¹

¹ Paul A. Brest, "Interdistrict Disparities in Educational Resources," 23 *Stanford Law Review*, February, 1971, p. 591.

² These studies are described in J. Guthrie, G. Kleindorfer, H. Levin, and R. Stout, *Schools and Inequality* (Cambridge: MIT Press, 1971), pp. 92-113, and in Martin Katzman, *The Political Economy of Urban Schools* (Cambridge: Harvard University Press, 1971), pp. 42-43. Also see James Coleman, et al., *Equality of Educational Opportunity*, a Report to U.S. Office of Education (Washington, D.C.: U.S. Government Printing Office, 1966), and its reanalysis by Daniel Moynihan and Frederick Mosteller, *On Equality of Educational Opportunity* (New York: Random House, 1972).

³ Cf. *The New York Times*, December 14, 1971.

⁴ Herman Williams, "Zoning and Planning Decisions," *The American City*, October, 1971. State judiciaries are dealing with challenges to zoning practices: see *Appeal of Gish*, 437 Pa. 237, holding unconstitutional a local zoning ordinance which failed to provide for multi-unit dwellings.

It is possible that the disparities in school district expenditures affect the educational performance of children. Some studies indicate a positive correlation between school expenditures and performance; other studies find such a correlation only at certain expenditure levels or for certain school programs; still other studies find no correlation at all.² The evidence, then, is ambiguous. Nevertheless, parents in the wealthy districts continue to tax themselves at rates that provide funds for their schools which parents of children in poorer districts cannot match, even at higher rates of taxation. Disparities may or may not affect educational achievement, but most parents believe that additional expenditures would be desirable.

A clear consequence is that expenditure levels affect the environment in which children spend a major part of their day: some school districts tolerate ramshackle buildings which are health and fire hazards; others maintain double or triple shifts; and some cannot provide adequate physical education for children. Most recently some urban school districts have been cutting back on the school year because of lack of funds.³

The system of local financing for public education affects land-use patterns in local communities. Suburbs compete for industry because plants provide tax revenues without additional population that might increase educational expenses for the district. On the other hand, the suburbs use exclusionary zoning practices and racial discrimination to exclude low-income populations and multi-unit housing dwellings which would increase school expenditures without a corresponding increase in revenues from real property taxation.⁴ Thus, the system encourages stratification by income and segregation by race, and pits an affluent suburban ring against the central cities.

The federal or state judiciaries are required to consider the effects of unequal school expenditures when a plaintiff brings a civil action against a state official

alleging injury due to the operation of the school financing system. Since the system was created by state legislation, such an action does not charge anyone with acting illegally—instead, it charges that the statute itself is unconstitutional, violating the state or the federal constitutions. The system of judicial review provides that state and federal courts may strike down state laws on constitutional grounds; the Supreme Court must make the final determination as to whether or not state legislation violates the constitution of the United States. State and federal courts, then, have the authority to declare state legislation unconstitutional, and may enjoin state and local officials from collecting revenues and expending public funds based on such legislation.

THE EQUAL PROTECTION REMEDY

The ground on which district school financing legislation is attacked is that it violates the equal protection clause of the Fourteenth Amendment of the federal constitution, or similar clauses which may exist in the constitutions of some states. The plaintiffs argue that disparities in expenditure exist, that such disparities are caused by state legislation, that the disparities involve classifications based on wealth, and that such classifications violate the equal protection clause and are unconstitutional.

The crucial question which the judiciary must determine is *not* the existence of disparities in expenditure, or even whether or not the legislation makes a classification based on wealth, but rather if such disparities and classifications violate the equal protection clause.

The judge who must decide that question finds little help in consulting the wording of the clause itself. It is included in Section 1 of the Fourteenth Amendment, which reads:

No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any State deprive any person of life, liberty, or property, without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws.

The Fourteenth Amendment, proposed in 1866 and ratified in 1868, was designed to protect the rights of blacks against racial discrimination by state governments. Later, the due process clause was used to protect corporations (considered "persons") against state regulation and, finally, that clause has been used

to "incorporate" provisions of the Bill of Rights into the Fourteenth Amendment so that the civil liberties of citizens could be protected against state action. But the equal protection clause was designed to protect against unconstitutional actions regarding race, and was not ratified to deal with classifications based on wealth.

The "reach" of a constitutional clause does not depend on the original intention of those who adopted it, but depends on the interpretation of the wording placed upon it by the present justices of the Supreme Court and judges of lower federal and state courts. The judges deciding school financing cases turn not to the text or the history surrounding the adoption of the equal protection clause, but rather to the body of cases in which that clause has been used to settle public issues.

The equal protection clause has been used with restraint by the courts.⁵ The *traditional* use of the clause has been to strike down state legislation which discriminates on the basis of race. But most state social and economic regulation will not be found unconstitutional if the classifications in the legislature meet the test of rationality. The courts insist only that the classification be "... reasonable, not arbitrary, and must rest upon some ground or difference having a fair and substantial relation to the object of the legislation, so that all persons similarly circumstanced shall be treated alike."⁶ The courts assume that the legislature knew what it was doing when it developed a classification, and exercised maximum restraint.

Using such a test, courts permitted the operations of judicial systems to vary within a state from one geographical area to another, and they refused to find unconstitutional legislation that mandated different levels of expenditure for public services based on geographical distinctions. States have also been permitted to make distinctions in legislation based on wealth, such as different rates of taxation at different levels of income.

Using the traditional interpretation of the equal protection clause, it would not be difficult to find that the legislature made a rational choice in establishing a system of local financing. It could be pointed out that local financing leads to local fiscal and administrative responsibility, and leaves policy choice at the local level. Moreover, since the state did not mandate any level of expenditure, and left districts free to spend what they wished on education, it was the choice of the districts, not the state, that determined disparities. Finally, it could be argued that there was no firm evidence that expenditures and educational performance were correlated. Therefore, the legislature could rationally maximize the values of local control of governmental administration while not adversely affecting the educational opportunities of children in proper districts.

⁵ This section relies on analyses offered in the following articles: Paul A. Brest, "Interdistrict Disparities in Educational Resources," 23 *Stanford Law Review*, 1971; Philip Kurland, "Equal Educational Opportunity," 35 *University of Chicago Law Review*, 1968; "Symposium: Who Pays for Tomorrow's Schools," 2 *Yale Review of Law and Social Action* (1971); Frank Michelman, "On Protecting the Poor Through the Fourteenth Amendment," 83 *Harvard Law Review* (1969).

⁶ *F. S. Royster Guano Co. v. Virginia*, 253 U.S. 412.

Faced with the weakness of the traditional use of the equal protection clause, lawyers have pressed upon the judiciary a newer interpretation of the reach of the clause. This interpretation asks the courts to distinguish a number of policy areas as the *fundamental interests* of a society. Then, it is argued, the judiciary must apply stricter standards to such interests. Coupled with this approach is the idea of a *suspect classification*: i.e., when the state classifies people according to certain criteria, a stricter standard or judicial scrutiny should be applied.

These two approaches are used by plaintiffs in the school financing cases. They argue that education, unlike certain other governmental functions (such as garbage collection or code enforcement) is a fundamental interest of society. They couple this with the argument that classifications based on wealth should be considered suspect. The plaintiffs invite the judiciary to abandon its traditional interpretation of the equal protection clause, with its presumption of legislative rationality, and turn to closer scrutiny of the legislation based on the assumption that the classification based on wealth is presumptively unconstitutional.⁷ Finally, plaintiffs invoke a doctrine of "least onerous means." If the legislature wished to ensure local control of public education, it would be possible to ensure such control without creating suspect classifications based on wealth. The plaintiffs attempt to demonstrate that statewide systems of public school finance are compatible with the goals of the legislature and do not involve the suspect classification.

To some extent these arguments are accepted by the courts. Classifications based on race, for example, are now considered "suspect" unless the state can show a compelling rationality for such classification.⁸ Cases involving apportionment of state legislatures, the poll tax, and the closing of public schools to avoid integration have made use of the notion of "fundamental interests." But often these arguments are *dicta*—mere words in the opinions which are unrelated to the real points of law on which the cases are decided.

The courts, in dealing with disparities in income, have often relied on the due process clause of the Fourteenth Amendment: the line of cases granting indigents the right to free counsel during interrogation and at trials and the right to free transcripts and

counsel on appeals have not been based on equal protection, but rather on the notion of fundamental fairness between the prosecution and the defense during trials—fairness that is subsumed under the requirements of due process.⁹ Similarly, the protections granted welfare recipients in dealing with bureaucracies are also based on the requirements of due process of law in the bureaucracies.¹⁰

Moreover, the judiciary has recently refused to use the newer interpretation of the equal protection clause in two leading cases. In *Dandridge v. Williams* the Supreme Court refused to strike down a Maryland statute which set a maximum grant for welfare recipients no matter how many children were in the family.¹¹ The court rejected the notion that the legislation embodied a suspect classification, as well as the idea that the judiciary should subject the statute to a standard stricter than mere "legislative rationality." California legislation which provided for a referendum on low-income housing in the community affected was upheld by the Supreme Court in *James v. Valtierra*.¹² The Court rejected the idea that the state had used a "suspect classification" in distinguishing low-income housing for referenda, although it pointed out that had the state made a *racial* classification of housing the statute would have been struck down.

The judiciary has a set of precedents through which it may apply either the traditional or the newer interpretation of the equal protection clause to school financing cases. It can refuse to consider education a fundamental interest or wealth a suspect classification, and can apply the traditional standards to uphold state legislation. On the other hand, the courts can apply the newer standards by finding education a fundamental interest, by considering wealth a suspect classification, by holding that there are less onerous ways of achieving the legislative intent of local control, and by finding existing state legislation unconstitutional.

JUDICIAL INTERVENTION

Faced with intervention or abstention in the issue, the courts will decide to intervene depending on how the issue is framed by the plaintiffs. If the plaintiffs urge the court to promulgate its own findings as to the relationship between expenditure and education, the judges are likely to opt for abstention. The early school finance cases, *McInnis v. Shapiro*¹³ and *Burruss v. Wilkerson*,¹⁴ involve arguments made by the plaintiffs which asked federal district courts to make a determination of the "educational needs" of various kinds of students in order to strike down state legislation which prevented districts from raising funds to meet those needs. Faced with a task for professional educators and impressed by the ambiguity in the literature on the correlation between school finance and

⁷ For further analysis of this approach see Kenneth Karst, "Invidious Discrimination," 16 *U.C.L.A. Law Review* (1969), and Paul A. Brest, *op. cit.*

⁸ *Brown v. Board of Education*, 347 U.S. 483; *Holmes v. City of Atlanta*, 350 U.S. 879; *New Orleans City Park Improvement Association v. Detiege*, 358 U.S. 54.

⁹ This point is made by Philip Kurland, *op. cit.*, p. 587.

¹⁰ *Goldberg v. Kelly*, 397 U.S. 254.

¹¹ *Dandridge v. Williams*, 397 U.S. 471.

¹² *James v. Valtierra*, 402 U.S. 137.

¹³ *McInnis v. Shapiro*, 293 F. Supp. 327.

¹⁴ *Burruss v. Wilkerson*, 310 F. Supp. 572.

educational achievement, the federal district courts refused to find state legislation unconstitutional. The United States Supreme Court affirmed both cases without opinion.¹⁵

A more recent series of cases asked the judiciary to make a different kind of decision. Instead of asking judges to determine the educational needs of students, it asked them to assert a rule of "fiscal neutrality" in state legislation. As expressed by Coons, Clune and Sugarman in *Public Wealth and Private Education*, the rule states that the quality of public education may not be a function of wealth other than the total wealth of the state.¹⁶

The leading case is *Serrano v. Priest*, decided by the Supreme Court of California on August 30, 1971.¹⁷ The state court held that "education in our public schools is a fundamental interest which cannot be conditioned on wealth. . . ." In such cases the state must bear the burden of establishing that its classification is necessary to further its purpose. The court concluded that the existing financing system was not necessary to fulfill a compelling state interest in legislation. The court held that the system was not rational:

To allot more educational dollars to the children of one district than those of another merely because of the fortuitous presence of such property is to make the quality of a child's education dependent upon the location of private commercial and industrial establishments. Surely, this is to rely on the most irrelevant of factors as the basis for educational financing.

And the court held further:

We have determined that this funding scheme invidiously discriminates against the poor because it makes the quality of a child's education a function of the wealth of his parents and neighbors.

The Supreme Court of California, while deciding that state legislation was unconstitutional, remanded the decision to the lower state courts for a trial on the facts of unequal school expenditures. The decision involved pleadings, and must await a lower court trial before a final decision is announced.

A second important case is *Robinson v. Cahill*, decided in the Superior Court of New Jersey on January 19, 1972.¹⁸ The case involved a challenge to New Jersey state finance laws based both on the equal protection clause of the United States constitution and on

a clause in the New Jersey constitution that had been construed by the state courts as containing an implied guarantee of equality comparable to the equal protection clause.¹⁹ The New Jersey Superior Court held that "Providing free education for all is a state function. It must be accorded to all on equal terms." And it affirmed the rule of fiscal neutrality first enunciated in *Serrano*:

Public education cannot be financed by a method that makes a pupil's education depend upon the wealth of his family and neighbors as distinguished from the wealth of all taxpayers of the same class throughout the state.

The state court found education a fundamental interest and wealth a suspect classification, as did the court in *Serrano*. But the New Jersey court added that even under the traditional interpretation of the equal protection clause: "It is doubtful that this system even meets the less stringent 'rational basis' test normally applied to regulation of state fiscal or economic matters."

The New Jersey court, finding the state legislation unconstitutional, took action: Judge Theodore Botter set a deadline of January 1, 1973, for the state legislature to legislate a new system of public school financing. If the deadline were not met, none of the state aid to public education in New Jersey could be distributed to the state's 600 school districts. The decision had the support of Governor William Cahill (one of the defendants in the case) and he expected the New Jersey legislature to adopt a statewide system of school financing which would replace the system of locally raised property taxes.

School finance cases have also been decided by the federal district courts. In *Van Duzart v. Hatfield*, decided October 15, 1971, the system of public school finance in Minnesota was declared unconstitutional by a federal judge.²⁰ In this case, unlike the two state court cases, only the federal protection of the equal protection clause was relied on in challenging the constitutionality of the state legislation. Judge Miles Lord also adopted the rule of fiscal neutrality, holding that students enjoyed a right "to have the level of spending for their education unaffected by variations in the taxable wealth of their school districts or their parents." The judge employed the newer standard for the equal protection clause by holding that education was a fundamental interest, that wealth was a suspect classification, and that ". . . when wealth classification affects the distribution of public education, the constitutional significance is cumulative." The court found as a matter of fact that there were disparities in educational expenditures, and that at least in Minnesota such disparities could be positively correlated with educational achievement. The court specifically denied that the interest of the state in maintaining the strength of local government through its system of school finance was a "compelling interest,"

¹⁵ Affd. Mem. sub. nom. as *McInnis v. Ogilvie*, 394 U.S. 322; *Burruss v. Wilkerson*, 397 U.S. 44.

¹⁶ John Coons, William Clune, and Stephen Sugarman, *Private Wealth and Public Education* (Cambridge: Harvard University Press, 1971), p. 304.

¹⁷ *Serrano v. Priest*, 5 Cal. 3rd 584; 96 Cal. Rptr. 601; 487 P. 2nd 1241. For excerpts see *Current History*, July, 1972, pp. 28ff.

¹⁸ *Robinson v. Cahill*, 287 A. 2nd 187.

¹⁹ Article 1, para. 1, New Jersey Constitution of 1947; also *Washington National Ins. Co. v. Board of Review*, 1 N.J. 545.

²⁰ *Van Duzart v. Hatfield*, 334 F. Supp. 870.

since local control could be maintained through a system of school finance which was fiscally neutral. The court indicated that it would defer further action in the case until after the Minnesota legislature revised school financing laws.

The case most likely to be reviewed first by the Supreme Court is *Rodriguez v. San Antonio Independent School District*, decided by a three-judge federal district court on December 23, 1971.²¹ As in *Van Duzart* and *Serrano*, education is considered to be a fundamental interest and wealth a suspect classification. Again, the court requires only fiscal neutrality of the state of Texas: the quality of public education may not be a function of wealth, other than the wealth of the state as a whole. Since the state was unable to demonstrate a compelling interest for its classification system, under the newer standard of judicial scrutiny involving the equal protection clause the state financing system is unconstitutional. The state of Texas is likely to appeal this decision, which then will go directly to the Supreme Court to be heard on appeal in the fall of 1972.

No one can predict what the Supreme Court is likely to do when it hears the school financing cases. It has affirmed lower federal court decisions which rejected the notion that courts could determine the "educational needs" of students. It has affirmed decisions and has itself decided that some state classifications based on wealth are not unconstitutional. It has let stand a lower court decision, *Hobson v. Hansen*, that declared invalid unequal educational expenditures within a single school district.²² The court has been characterized as conservative, and some lawyers involved in school finance litigation have suggested avoiding at all costs cases that could be reviewed by the Supreme Court, preferring instead to rely on remedies available in state constitutions.²³

Meanwhile uncertainty prevails. A state judge of the Supreme Court of New York (the court of lowest general jurisdiction) decided in *Spano v. Board of Education* (January 21, 1972) that *McInnis v. Ogilvie* and *Burruss v. Wilkerson* were controlling precedents.²⁴ Refusing to invalidate New York legislation, the judge declared that "... if they are no longer to be controlling authorities, their demise should be proclaimed by the U.S. Supreme Court."

²¹ *Rodriguez v. San Antonio Independent School District*, 40 Law Week 2398.

²² *Hobson v. Hansen*, 369 F. Supp. 401.

²³ "School Finance Litigation: A Strategy Session," in "Symposium: Who Pays for Tomorrow's Schools?" 2 *Yale Review of Law and Social Action* (1971), see comments by Sid Wolinsky, the lawyer who argued *Serrano*, p. 154.

²⁴ *Spano v. Board of Education*, 40 Law Week 2475.

²⁵ A contrary view, arguing that these decisions will prevent extra funds in districts of need, is presented by Philip Kurland, *op. cit.*, pp. 589-592. Also see Daniel P. Moynihan, "Can Courts and Money Do It?" *The New York Times*, January 10, 1971.

²⁶ On this technique see John Coons, *et al.*, *op. cit.* pp. 301-342.

THE EFFECT OF A FAVORABLE DECISION

What would be the effect of a decision upholding the lower federal court in *Rodriguez* or the lower state court in *Serrano*? First, the rule of fiscal neutrality will not determine how much is spent for education in each district, nor will it mandate equal expenditure for each student. Providing for education based on the total wealth of the state is a most restrained and limited ruling. Under it, states will still be free to develop school financing plans that provide for rational classifications of students and provide different expenditures for each classification. Under such a rule, a state or school system may provide additional resources for gifted students in the sciences, training and lessons for performers in the arts, remedial services for poor students, and programs which will benefit the retarded or the physically handicapped.

Nothing prevents a state from legislating a finance system which permits one school district to spend more funds than another (per student) provided the method is rational. For example, rural districts could spend additional funds on pupil transportation, and urban districts might spend extra money for safety. Capital expenditures could vary as well.²⁵

Moreover, the rule of fiscal neutrality does not assume that districts in similar circumstances *must* spend exactly the same amounts (per student). A technique which would be constitutional under the rule of fiscal neutrality is the "power equalizing" method of school finance.²⁶ Under this system, school districts which taxed themselves *at the same rate* would receive funds from the state in order to equalize the amounts that the districts raised. In other words, a wealthy district and a poor district which taxed themselves at the same rate would be given a *different* amount of state aid, so that in the end both districts would have the same total. The wealthy district would, of course, receive less state money than the poorer district. Some wealthy districts taxing themselves at high rates would actually raise more money than the ceiling for district expenditures: in that case the district would turn over the "surplus" to the state, and it would be transferred to the poorer districts in the form of state aid. Under this system varying rates of taxation could be permitted for each district: a state could make three expenditure levels, for example, so that districts which valued edu-

(Continued on page 86)

Richard M. Pious, formerly on the faculty at Columbia University and a consultant for the Legal Services Program, has contributed to the Senate Subcommittee on Intergovernmental Relations Report: "The Federal System as Seen by State and Local Officials." He is editor of the upcoming *Identity and Authority: Civil Rights and Liberties in the 1970's* (New York: Random House, 1972).

"The voucher plan is an attempt at equalization [of educational opportunity], but it faces many hard problems unless a more equitable school finance framework is developed."

External and Internal Education Vouchers

BY MARIO D. FANTINI

Dean of Education, State University of New York at New Paltz

RECENTLY THE EDUCATION CRISIS has been linked to the citizens' pocketbook and, in the face of a tightening economy, the educational consumers have begun to raise questions. Are the federally supported programs in education working? Was there really payoff for the financial investments of the 1960's?

Reports from the field on programs such as Title I of the Elementary and Secondary Education Act of 1965 are far from promising. In fact, President Richard Nixon, in his 1970 Message to Congress,¹ pointed to the failure of compensatory education:

The best evidence available indicates that most of the compensatory education programs have not measurably helped poor children catch up. Recent findings on the two largest such programs are particularly disturbing. We now spend more than \$1 billion a year for educational programs run under Title I of the Elementary and Secondary Education Act. Most of these have stressed the teaching of reading, but before-and-after tests suggest that only 19% of the children in such programs improve their reading significantly; 13% appear to fall behind more than expected; and more than two-thirds of the children remain unaffected—that is, they continue to fall behind. In our Headstart program, where so much hope is invested, we find that youngsters enrolled for the summer achieve almost no gains, and the gains of those in the program for a full year are soon matched by their non-Headstart classmates from similarly poor backgrounds.

Added to this mood of questioning was the growing awareness that add-on, compensatory-type approaches to school improvement really resulted in more money being spent in the same old ways—the very ways which were being subjected to increased criticism by growing numbers of students and parents, i.e., the educational consumers themselves. Any serious reform effort must deal with three fundamental

problems: (1) equalizing educational expenditures among public school users; (2) making the most effective use of existing resources in our schools; and (3) delivering quality education to a diverse society.

As Americans recognized the importance of quality education to their own survival needs—at times in desperation—education vouchers entered the picture. One of today's most controversial reform proposals, vouchers are an attempt to generate needed change by altering existing misallocations of resources between rich and poor children. The voucher increases the purchasing power of the educational consumer, usually the poor, for different forms of education in a type of free-market enterprise. However, some families which would likely utilize such vouchers are dissatisfied with public schools. The plan would favor private schools. This is why some use *external* voucher in referring to such a proposal. The Office of Economic Opportunity, which has been testing the feasibility of vouchers, reports:

It is readily apparent that the education system is failing the poor—both by failing to provide adequate skills and by failing to retain children in school.

One reason for this disparity could well be that poor parents have little opportunity to affect the type or quality of education received by their children. The poor have no means by which to make the education system more responsive to their needs and desires. More affluent parents usually can obtain a good education for their children because they can choose schools for their children to attend—either by deciding where to live or by sending the children to private schools. . . .

The Office of Economic Opportunity therefore has begun to seek a means to introduce greater accountability and parental control into schools in such a way that the poor would have a wider range of choices, that the schools would remain attractive to the more affluent. This has led to consideration of an experiment in which public education money would be given directly to parents in the form of vouchers, or certificates, which the parents could then take to the school of their choice, public or nonpublic, as payment for their children's education.²

¹ Richard M. Nixon, *Message from the President of the United States to the 91st Congress*, 2d Session, Document No. 91-267, March 3, 1970.

² Office of Economic Opportunity, Washington, D.C., January, 1971.

The voucher proposals suggest that monies devoted to the financing of public schools be transferred to the parents in the form of redeemable coupons. These coupons, worth the cost of a year's schooling per child, are to be used to support the schools of the parent's choice—public or private, parochial, profit-making, and so on. Schools would cash in the vouchers at proposed Education Voucher Authorities, which would supervise the institutions participating in the plan.

The voucher idea sounds simple, but presently there is no voucher proposal—and there are several—being offered that is acceptable to all. The problem lies with both the economics and politics of each.

VARIOUS VOUCHER PLANS

Milton Friedman, original contemporary proponent of the voucher idea, nine years ago introduced a model in which all parents receive a basic voucher that might be supplemented at will from personal income. Better known as the unregulated voucher model, this plan has come under increased criticism, for wealthy parents could easily match the value of the voucher and thus send their children to better, or at least more expensive, schools. If this occurred, Friedman's model would probably broaden the gap between rich and poor. The plan might operate as a "partial" scholarship for a few of the most talented poor to attend expensive schools, but this does not seem a sufficient incentive to recommend this proposal over the present system.

A second voucher plan developed by former Harvard Dean TheodoreSizer and Phillip Whitten proposes that the value of a voucher be invertibly related to family income. That is, families with incomes below \$2,000 would receive vouchers worth a set amount. The value of the voucher would decline to zero as the family's income approached the national average. This sliding scale voucher would help poor families compete with the wealthier families in purchasing private education. It would be a coarse equalizer, however, for it would not consider how much personal income a family is willing to spend on education . . .

. . . such discrimination in favor of the poor not only raises possible equal protection problems, but may also discriminate against the "near poor" or students of more affluent families who fail to supplement their vouchers as much as was "predicted" for their income level.

³ Judith Areen, "Education Vouchers," Hearings before the Select Committee on Equal Opportunity of the U.S. Senate, 92d Congress, Part 22, p. 11133. Washington, D.C., December 1, 2, 3, 1971.

⁴ Irene Solet, "Education Vouchers: An Evaluation," Washington Research Project, Hearings Before the Select Committee on Equal Opportunity of the U.S. Senate, 92d Congress, Part 22, p. 11131. Washington, D.C., December 1, 2, 3, 1971.

⁵ *Future Directions for School Financing* (Gainesville, Florida: National Educational Finance Project, 1971).

Furthermore, experience in other subsidized areas, such as food stamps and housing, provides little hope for legislative adoption of a system that effectively enables poor families to compete in purchasing services. Because the Sizer-Whitten model is not proposed as a substitute for the present system of state administered education, but rather is designed as a supplement in which poor families are subsidized in choosing private schools, the proposal does not discuss state involvement in any nonfinancial areas. Educational standards and equality of educational opportunity, for example, are not considered.³

John Coons has proposed a voucher model under which parents would choose schools of various expenditure levels to send their children, the lowest level being roughly that of present public school expenditures. The parent would receive a voucher about equal to the per pupil cost at this lowest level, and would have the option of supplementing that voucher. (As in the Friedman plan, the wealthy would be able to choose a more expensive school for their children as they could more easily supplement the voucher.) This system would be combined with a compensatory scheme so that a parent's economic effort in educating his child was measured relative to his income, the result being a wider separation between the "best" and the "worst" schools. Critics of Coons' plan conclude that this model would accelerate the inequalities in outcome of schooling and would penalize children whose parents have little interest in education.

A fourth plan is the achievement model. Under this plan, the value of a student's voucher would be determined by the "success" in educating him, rather than by the student's economic qualifications.

. . . A school's income would be determined by how much progress its students need. That progress would be measured by standardized tests. The difficulty of separating aptitude from achievement in such tests, the questionable relationship between high test scores and later success, and the importance of socio-economic status and race as determinants of test results, are all reasons why this model is found unacceptable. . . .⁴

The voucher proposals that are mentioned here, as well as others, cannot deal in any significant way with the disparity of revenue between school districts either in a state or between states, as long as property taxes are the main sources of school revenue.

Presently, the financing of public schools is derived from three principal funding sources: at the local level, mainly through property and sales taxes; and at the state and federal levels, from individual and corporate income taxes. To all intent and purposes, the property tax is the most basic for American education, especially for local school districts. In 1970-1971, in the nation as a whole, 52 per cent of school revenue was provided by local sources and over 98 per cent of the public school revenues of local tax sources are property tax revenues.⁵

One of the key problems associated with the property tax is that the ratio of assessed values to full legitimate values has declined, thereby reducing significantly the capacity of school districts to tap local funds on a continuous basis. This problem has become more acute with rising school costs.

We have reached a stage in which even the most staunch supporters of public education have been affected by this over-dependence on the local property tax. Citizens cannot continue to have their taxes raised indefinitely on the grounds that without these additional revenues the quality of education for their children will suffer. Obviously, there is a limit to what the taxpayer can afford.

While there is a general mood of discontent toward this over-reliance on the property tax for financing public schools, there is another dimension which may really become the legal basis for reform. This dimension concerns the fact that the way the property tax works within most states results in unequal allocations of educational resources. This unequal allocation arbitrarily discriminates against the poor. That is to say, since property taxes are assessed according to wealth, the "richer" communities receive more revenues; those "privileged" public school districts can actually afford a better delivery of educational services than the poor school districts. This unequal allocation of educational resources is considered by some citizens to be *unconstitutional* on the grounds that the property tax system for financing public schools actually denies children equal protection which is guaranteed under the Fourteenth Amendment.

The problem of differential spending apparently will be resolved by the courts rather than by the use of vouchers. For instance, in a historic decision, the Supreme Court of California, on August 30, 1971, tentatively⁷ concluded:

We have determined that this funding scheme invidiously discriminates against the poor because it makes the quality of a child's education a function of the wealth of his parents and neighbors. Recognizing as we must that the right to an education in our public schools is a fundamental interest which cannot be conditioned on wealth, we can discern no compelling state purpose necessitating the present method of financing. We have concluded, therefore, that such a system cannot withstand constitutional challenge and must fall before the equal protection clause.

This case, *Serrano v. Priest*, has launched a national dialogue on the inequities of the local property tax.⁸ New York State and New Jersey have proposed similar plans for full state funding to reduce inequities.

⁷ 5 Cal. 3d 584. See *Current History*, July, 1972, pp. 28ff for excerpts.

⁸ Mario D. Fantini, *Alternatives for Urban School Reform* (New York: Ford Foundation, Office of Reports), pp. 9-10.

⁹ David Selden, "Vouchers—Solution or Sop?" Hearings before the Select Committee, *op. cit.*, Part 16 D-1, p. 7741.

The voucher plan is an attempt at equalization, but it faces many hard problems unless a more equitable school finance framework is developed. Further:

Carried to its logical conclusion, . . . the parallel-school approach would reduce the scope of public education, if not dispense with it altogether. The establishment of private schools sufficient to handle significant numbers of poor children would require public support and, in effect, establish a private system of publicly-supported schools. Middle-income parents would demand similar privileges. For financial reasons alone, the parallel-school approach is hardly likely to become widespread in the foreseeable future; moreover, the scheme would founder on political, if not constitutional grounds. . . .⁷

At present, it could widen the gap, because the voucher plan can be used to continue economic segregation within the schools. If this segregation occurs, the vouchers would effectively become a subsidy for the rich and middle class.

Also, vouchers could lead to further racial segregation within external schools. Presently, there is no framework outside of the public school system that protects against this happening. This system could also lead to public support of religious instruction which might violate the prohibitions of the Constitution. For example:

Several cases now in the judicial works will have a bearing on the legal status of vouchers. One of these is *Flask v. Gardner*, which challenges the use of federal funds to pay for educational services conducted in religious-sponsored schools under Title I of ESEA. If the courts should decide that the use of funds in this way is unconstitutional, the legality of the voucher concepts so far as the religious-related schools are concerned would be dubious indeed.⁸

Others question whether parents, particularly low-income parents, are capable or have the desire to choose sources of education for their children. In addition, many wonder whether a voucher system would jeopardize the public schools which might be forced to become schools of the last resort.

The true merit of the current interest in educational vouchers is that it has provided a new way of looking at the problem of delivering quality education to dissatisfied consumers. This new viewpoint has stimulated public schools to develop educational alternatives themselves. In so doing, the external voucher has prompted the development of the internal voucher plan—a plan which does not demand the creation of still another bureaucratic regulatory agency to facilitate its implementation. The public schools have the capacity and the resources to operate such a system internally. The creation of a voucher system of education which operates outside (external) the public school system is less necessary and/or desirable than the creation of options within (internal) a public system of education. The voucher emphasis on alternatives has given the public school mechanism a new mission to use existing resources.

AN INTERNAL VOUCHER SYSTEM

As we have suggested, the voucher concept, therefore, can be viewed as external or internal. The externally oriented voucher system emphasizes access to alternative schools outside the public school system. The internally oriented voucher plan views access to alternatives within the framework of the public school system. Both plans rely on increased consumer interest in alternative forms of education, and acknowledge the intrinsic value of individual choice.

Many teachers, supervisors and administrators feel constrained by the system of public schooling and are eager to join with parents and students in a search for reform. These professional educators have been waiting for a new framework for action. In fact, many have attempted successfully to bring about changes, at times, against major obstacles.

Enough members of the public school establishment have embraced the philosophy of institutional deficiency to sustain an internal effort to create new ground rules for professional action. Considerable inside professional energy could be channeled from trying to improve a single educational process to working out alternative forms of education within the basic framework of public schools.

Public schools have gone through a number of important stages to insure that they would be non-sectarian and non-exclusive, and that they would reflect the basic values of an open, free society. Public schools are mature enough, strong enough to withstand any pressures that might attempt to compromise these values. These professional pressures are critical to the control of schools that might be bent on undermining the basic values of a free society. The point here is that public schools—subject to public scrutiny as they are—are more capable of representing our noblest values than many of our more exclusive private schools. Thus, a quick rise in private sector education without adequate supervision and monitoring might, in the name of responsiveness, create educational structures which would not serve the basic societal values that support a free society.

Furthermore, alternative forms of education, to be legitimized under a framework of public schools, must satisfy other important standards. One criterion in particular deserves mention here. Any alternative mode of education must be capable of addressing a comprehensive set of educational objectives, not merely particular sets. For example, some may advance a “free school,” based on the theory that it is complete freedom of the learner that is important—and that happiness, joy and ecstasy are the major objectives of education. This alternative may not be legitimized by public schools because of the emphasis on particular objectives at the expense of others. Public schools have a responsibility—the wide-range objectives of:

1. Basic learning to acquire skills—reading, writing, communications, inquiring, analyzing.
2. Talent development, developing individual creative potentialities.
3. Preparation for basic success in assuming major societal careers: parent, consumer, citizen, self-developing individual.

These can be categorized as “cognitive” (intellectual) and “affective” (emotional) terms if necessary, but they are broad at their base. Public schools are instrumentally related to the fabric of society—economically, as well as politically and culturally. It is difficult, if not impossible, for public schools to ignore or dismiss these ties. Consequently, public schools must also be manpower institutions. Unless a person is independently wealthy, he hopes school will open options for him in the career market; unless a learner expects to secede from participation in society he expects schooling to help him acquire the skills to participate effectively as a citizen with rights.

Therefore, it is possible for certain alternative forms of education to cultivate people who are happy, joyous, ecstatic—but who cannot read, write, or qualify for any realistic economic career. Perhaps, in the name of humanistic education, certain educational options may emphasize primarily affective objectives. The learner who has selected these options may realize too late there are other requirements for full involvement in the multi-environments (economic, political, cultural, social) of modern society. Ironically, in these cases, the very humanization the option sought to realize may, in the end, have produced exactly the opposite effect, i.e., denying the learner options in the real world. Public schools and their traditions of experience are more likely to protect the next generation from these possibilities than their less accountable private counterparts.

If our assumption is valid—namely that the present public school educational process constitutes only one alternative to a common set of objectives, and that a diverse consumer-society is rightfully demanding alternatives to the one—then the basic problem is really in the delivery of an expanded supply of legit-

(Continued on page 86)

Mario D. Fantini has served as program officer of the Ford Foundation, and as a consultant to the Task Force on Urban Education of the National Education Association, among other projects, and as a consultant on decentralization in Washington, D.C., Los Angeles, and New York. Among his many books are: *Designing Education for Tomorrow's Cities* (New York: Holt, Rinehart and Winston, 1970); he has coauthored *The Disadvantaged: Challenge to Education* (New York: Harper and Row, 1968), and *Making Urban Schools Work* (New York: Holt, Rinehart and Winston, 1968).

"The development of constitutionally acceptable forms of public aid that provides significant assistance to the operation of Catholic schools is by no means a certainty at either the state or federal levels. . . ."

Pros and Cons of Public Funding for Catholic Schools

BY ERNEST BARTELL, C.S.C.
President, Stonehill College

THE EMOTIONAL CONTENT of economic arguments for and against aid to Catholic elementary and secondary schools tends to run high and to lead to simplistic policy positions. A fair interpretation of results from publicly and privately financed research into present and future levels of enrollment, costs and private revenues of nonpublic schools does not support extremist positions on either side of the question. Rather, a reasonable reading of the results of systematic analysis, such as that publicly financed for the President's Commission on School Finance and for the Governor's Commission for Elementary and Secondary Education for the State of New York, and that privately financed for the Archdiocesan School Board of St. Louis and other clients at Notre Dame,¹ supports a more moderate, though less eye-catching economic position that might be summarized as follows:

Public aid for nonpublic schools, assuming it can be made constitutionally and economically feasible in some form, is warranted. However, in the amounts that are likely to be economically and politically feasible, aid is likely to be both effective and available only to the extent that Catholic school systems and their adherents take positive steps within their means to counteract unfavorable trends in enrollment and economic viability.

The simplistic case in favor of aid rightly stresses the savings to taxpayers and the social contribution presently made by \$1.1 billion annually of privately funded educational operating expenditures in the

Catholic elementary and secondary schools of the nation, which enroll over 80 per cent of total national nonpublic schoolchildren. However, simplistic arguments in favor of public aid sometimes overestimate the savings to the public sector by calculating the product of average operating costs in the nation's public schools times the number of pupils in Catholic schools. For 1970, such a calculation yields total savings of \$3.64 million to taxpayers through the operation of Catholic schools. Average costs per pupil in public schools, however, are not necessarily identical to the marginal costs of educating additional pupils transferred into an already functioning public system. Marginal costs can be expected to be lower than average costs as long as there is excess capacity in the public schools and there exist some relatively fixed costs that need not be duplicated by the enrollment of additional pupils. In fact, in many public school systems, pupil-teacher ratios have been failing in recent years, and, since 1971, total elementary and secondary enrollment has leveled off and has begun to fall as a result of earlier declines in the birth rate.

Because the distribution of Catholic school pupils does not parallel exactly that of public school enrollments, it would be impossible to estimate the ability of public school systems to absorb nonpublic enrollments without matching and aggregating data from thousands of individual school districts, public and nonpublic. However, aggregating from geographically differentiated data for central city SMSA,* other SMSA and outlying areas in each state, Dr. Thomas Swartz has been able to derive reasonable gross estimates of costs to the public sector if all nonpublic enrollments, Catholic and non-Catholic, in 1970 were to be enrolled in public school systems.² Under a high excess capacity assumption that pupil-teacher ratios in public schools could be raised again to their highest level since 1965, additional current operating costs of public schools are estimated to rise by \$1.35 billion, or only one-third the total based on

* Standard Metropolitan Statistical Area.

¹ *Economic Problems of Nonpublic Schools*. A report to the President's Commission on School Finance (Notre Dame: 1971); *The Collapse of Nonpublic Education: Rumor or Reality?* A report on nonpublic education in the State of New York on the quality, cost and financing of elementary and secondary education (New York: 1971); *Catholic Education in St. Louis, Allocation and Distribution of Financial and Human Resources* (Notre Dame: 1970). The report to the President's Commission summarizes research results from a wide variety of existing studies of enrollment, finance and attitudes in Catholic elementary and secondary education. This report is hereafter identified as *President's Commission Report*.

² Thomas Swartz in *President's Commission Report*, Ch. V, pp. 301-350.

average public school costs. Under a low excess capacity assumption that pupil-teacher ratios cannot be raised above current levels for political reasons, resulting marginal cost estimates of \$3.15 billion much more closely approach simple average costs, although still totalling almost \$500 million less. At current costs for new construction, the capital costs for additional public school facilities under the high excess capacity assumption would place an additional burden on the public sector of \$4.67 billion, while the corresponding capital costs under the low excess capacity assumption would rise to an astronomical \$9.9 billion.³

Although the simplistic estimates of savings to the public sector are clearly overstated, more cautious estimates still support the proposition that the operation of nonpublic schools results in savings to taxpayers. Even if it could be assumed that public schools could again be crowded to peak levels of recent years, the savings in operating costs alone are sufficiently substantial to allow for an annual public subsidy to each of the nation's nonpublic school pupils of up to \$350, exclusive of school transportation costs (which are assumed to be roughly equal in both systems and hence excluded from both public and nonpublic cost calculations). Estimates of capital costs based on new construction undoubtedly overstate true costs. Nevertheless, even if nonpublic school buildings or other facilities could be purchased or rented by the public sector at lower costs, there still remains the possibility of additional savings through subsidized use of the facilities by nonpublic schools, as long as additional subsidy requirements are less than public sector rental or amortization costs.

Moreover, contrary to some simplistic arguments against public aid, economic analysis suggests that private educational resources are competitively efficient in the provision of educational services that serve both private and public purposes. Enrollment in Catholic schools fulfills public requirements for school attendance, and indeed there is some econometric analysis by Dr. Dennis Dugan to suggest that educational inputs in Catholic schools yield outputs in measurable basic skills that are more significant per unit of input than in public schools.⁴

DECLINING ENROLLMENTS

At the same time, however, there is unmistakable evidence that enrollment in Catholic schools is declining and that the declines are increasing at an

increasing rate. The peak year for the percentage of Catholic school-age children actually enrolled in Catholic schools was 1958, when almost 54 per cent of the eligible population was enrolled. Because of rising population growth in the following years, absolute levels of Catholic school enrollment peaked in 1962, but have declined ever since, so that the 4.5 million pupils enrolled in Catholic elementary and secondary schools in 1970 represented less than one-third the Catholic school-age population.

Enrollment projections done by Dr. Kenneth Brown for the President's Commission on School Finance in 1971, using techniques that have proven accurate in private case studies, indicate that by 1975-1976, Catholic school enrollment across the nation is likely to be down to 3 million, representing only 22 per cent of the Catholic school-age population.

Implicit or explicit in many of the arguments on behalf of public aid is the assumption that problems of declining enrollments are the result of the rising costs of education and hence would be reversed or checked by the arrival of public aid. In fact, however, analysis of attitudes and enrollment behavior of Catholic families in a wide variety of case studies yields converging evidence that cost is not a dominant factor in the decision against Catholic school enrollment. Conventional economic theory does suggest that the quantity of any good or service demanded can be expected to diminish as a result of price increases, with the amount of impact dependent upon such factors as the price and availability of substitutes, changing preferences of buyers and changes in their ability to pay as measured by family incomes.

Part of the decline in enrollment at the lowest grades can be explained demographically by decreasing birth rates in recent years within Catholic and non-Catholic families alike. More important, however, in the evaluation of the potential effectiveness of public aid is the increasing evidence of reluctance among Catholic families to enroll their children in a school system whose subjective justification is increasingly uncertain and whose educational identity is increasingly diffuse in the eyes of potential users. This reluctance appears to be greatest not among the poor, but among the younger, better educated and more affluent Catholic families. In general, as perceived by these families, Catholic schools do not compete favorably with public school alternatives in the attainment of those conventional secular educational goals that these Catholic families increasingly share with their non-Catholic neighbors. But neither do the Catholic schools offer sufficiently distinctive religious education as perceived by the same class of parents to offset other disadvantages of Catholic schools.

Thus, it is not surprising that regression analysis and other statistical tools applied to data about Catholic

³ It is interesting to note that in his speech before the National Catholic Educational Association on behalf of federal aid to nonpublic schools in April, 1972, President Richard Nixon quoted only the higher estimated operating and capital costs, based on the low excess capacity assumption. (See *The New York Times*, April 7, 1972, p. 1.)

⁴ Cf. "St. Louis," *op. cit.*, Ch. IV.

family attitudes and actual enrollment indicate that tuition charges have not been a significant factor in explaining enrollment declines in the 1960's. Such a result is not difficult to interpret. Because Catholic schools were originally envisioned by American bishops as quasi-public schools for Catholic children, tuition rates have historically been low. As a result, despite relatively large increases in recent years, annual reported tuition charges in the nation's parochial schools averaged only \$70 in 1970, and covered less than one-third of operating expenses. Although at some level tuition charges can be expected to exercise a serious negative influence on enrollments, it is intuitively reasonable that the extra few dollars of tuition increase during the 1960's, when considered alongside the growth in family incomes and the dollar value received in educational services, would not be adequate to explain the rapid rates of enrollment decline. Indeed, enrollments are falling equally in many areas with zero or below-average tuition.

In addition, research evidence indicates not that parents are withdrawing children already enrolled in Catholic schools, as might be expected under pressure of rising tuitions, but that they are failing to enroll younger children as they reach school age, so that enrollment declines are greatest in the lowest grades where tuition charges are lowest, and enrollment is holding up best at the high school level, where charges are the greatest. A crude statistical measure of price elasticity of demand, based on available national data, suggests that tuition increases have probably not accounted for more than 20 per cent of the enrollment decline in Catholic schools since peak years.

Moreover, although some school closings can be attributed to the financial inability of individual parish churches to maintain subsidies required for the operating deficits of their schools, several studies have shown that Catholic families are contributing on the average only approximately two per cent of their gross family incomes to their parish churches for all current operating purposes, including educational subsidies. Since slightly more than 50 per cent of parish revenues are required for school subsidies, only about one per cent of Catholic family incomes are tapped for the operating subsidies of the schools.⁵ Certainly, some families are contributing considerably more than two per cent of income to their local churches, but this simply means that many other registered Catholic families are motivated to contribute little or nothing at all to the support of the schools and the churches which operate them. Moreover, there is some evidence that church contributions are regressive, that is, that less affluent Catholic

families are contributing a higher proportion of their smaller incomes than that contributed by more affluent Catholics. If, as studies of federal income tax deductions have shown, private secular education is the philanthropy of the rich, then church-related schools may well be the philanthropy of the poor.

Some of the disenchantment expressed in enrollment behavior and financial support is due to the shortage of religious teachers, upon whom the identity and operation of the schools have traditionally depended, and whose diminishing numbers are expected to decline by an additional 20 per cent between 1970 and 1975. Although public aid may make it possible to replace low-cost religious teachers with more highly qualified lay teachers than is now possible, aid cannot restore a lost religious identity. Instead, it is evident in some case studies that enrollment declines are most rapid in the parishes that already have the "best" Catholic schools, measured by conventional financially expensive standards of high expenditures per pupil, high teacher qualifications and low pupil-teacher ratios. On the other hand, loyalty to Catholic schools appears to hold up best in lower middle income urban areas whose Catholic schools have the poorest conventional qualifications within the Catholic school systems, but which are perceived by typically less affluent and less highly educated parents to be relatively better in comparison with local public school alternatives. Some of these latter preferences may be based upon greater regard for tradition, fear of exposure of children to currents of secular social change and fear of racial integration, although it is not possible to confirm these attitudes conclusively. Nevertheless, it is not clear that public aid alone can alter present socioeconomic patterns of enrollment decline and reverse trends which suggest that the 20 per cent of Catholic children still enrolled in privately supported Catholic schools by 1980 are likely as not to be the sons and daughters of lower middle income, less well-educated white urban Catholic families, with some pockets of enrollment in southern white communities.

AID AND THE PUBLIC GOOD

Rather, it is more reasonable to conclude from patterns of enrollment decline that public aid must be made contingent upon evidence that the distribution of the aid serves the public good. Apart from all controversies over the definition of public priorities, the public purpose of support to Catholic schools becomes increasingly difficult to define when the behavior of the population whom the aid is intended to serve displays weakening loyalties.

There is nothing that is inevitable about statistical projections of declining enrollments, although some critics suggest that the disappearance of private support for sectarian schools is the inevitable by-product

⁵ Cf. case studies in Denver, St. Louis, Indianapolis cited in E. Bartell, "Costs and Benefits of Non Public Schools," *President's Commission Report*, p. 231.

of a decline in doctrinal orthodoxy and unanimity within the sponsoring sect. If so, the internal freedom and pluralism that have marked the history of the Catholic Church since the Second Vatican Council could signal the end of a collective felt need for Catholic schools. Although logically plausible, this argument does not convincingly explain the durability, enrollment stability and, in some cases, growth among non-Catholic sectarian schools, often in the face of rapidly rising costs. In any case, both statistical and historical argumentation converge in support of the assertion that the principal problems facing Catholic schools are not financial, but ideological, and that the burden of responsibility thus rests upon the Catholic community to define its own educational goals and priorities to establish credibility for claims made for the effectiveness of public aid.

On the other hand, it would be premature to preclude the advisability of aid to Catholic schools on grounds of inevitable collapse and social disutility. As indicated above, econometric productivity analysis of Catholic school operations indicates a degree of efficiency in the operation of Catholic schools for the attainment of conventional educational goals as embodied in pupil performance on standardized tests, something the Coleman report using similar techniques a few years back was unable to demonstrate in the operation of public schools. Given the scarcity of resources for public purposes in our society, it is not obvious that abandonment of a private investment of billions of dollars in physical facilities, personnel training, and annual operations is in the public interest as long as these inputs are measurably productive and as long as aid can be administered in such a way as to maintain such a large commitment of private resources to the provision of a service that has social value.

Costs of education, however, are rising faster than incomes in the United States. Hence, it may legitimately be asked whether or not the amounts of aid required to support the schools are feasible in light of the financial needs of public education, even assuming that the private sector burden can be maintained. To help answer this question, computerized simulation models were developed for the President's Commission to project operating costs, revenues and deficits of Catholic elementary and secondary schools and to estimate required amounts of public aid under a variety of assumptions about the stabilization of the educational burden on church revenues and family incomes and about various cost-sensitive administrative policies of school operation.⁶ Incorporated into these models are estimates of seven key determinants of financial change in Catholic school operations, i.e., inflationary trends in the economy, enrollments, avail-

ability of religious teachers, religious and lay teacher salary schedules, contributions to general church revenues, ability to raise tuitions and the effects of administrative educational strategies such as consolidation to achieve economies in the use of educational resources.

FUTURE AID REQUIREMENTS

In recognition of weakening enrollment demand and institutional barriers within the Church to larger allocations of unrestricted operating revenues to the schools, the estimates of future public aid requirements were based on the assumption that tuition could be raised, but only at the same rate as family incomes, and that school subsidies could not claim a larger share of church operating revenues than at present. In effect, the financial burden of the schools on both families and parishes was stabilized relative to the projected ability to pay of both. Within these constraints, the projected need for aid was sensitive in varying degrees to estimates and projections of the remaining variables listed above.

Test runs of the projection models, however, confirmed that future required amounts of public aid are most sensitive to policy decisions taken within the Catholic school systems, especially with respect to school closings and consolidations in response to falling enrollments (or alternatively, sensitive to the success of efforts to halt the declines in enrollments). Hence, depending upon the mix of estimates used for the eight key determinants above, the average national need for unrestricted outside aid will vary between \$87 and \$492 per pupil by the 1975-1976 academic year. The lower limit will be applicable if "good times" assumptions about both inflationary trends in the economy and trends in church contributions are realized, and if school closings and consolidations can keep pace with enrollment declines in such a way as to maintain existing pupil-teacher ratios. The need for aid will approach \$500 per year if "hard times" assumptions about private church contribution and continued growth of inflation at five per cent per year are realized and if Catholic school administrators try to keep virtually all schools open, thereby absorbing enrollment declines in smaller class size and lower pupil-teacher ratios.

Obviously, neither limiting figure represents a realistic set of expectations about the response of school decision-makers to declining enrollments. More realistic is the expectation that some degree of consolidation will be possible, but not enough to prevent some fall in pupil-teacher ratios, especially if accompanied by program enrichment and diversification to maintain support of education-conscious Catholic parents. If it can thus be assumed that pupil-teacher ratios will fall roughly half way between the limiting extremes, then the amount of outside aid required per pupil is

⁶ E. Bartell, *loc. cit.*, *President's Commission Report*, Ch. III.

likely to be about \$200 under "good times" conditions and \$300 under "hard times" assumptions. By 1980, the required amounts of aid per pupil under the same "good times" and "hard times" conditions are estimated at just over \$200 and just under \$495 respectively.

The apparent stabilization of required aid in the "good times" model depends, of course, on the success of national counterinflationary policies, and especially upon the willingness of Catholics to maintain contributions to be used to subsidize a steadily smaller number of full-time Catholic school pupils, as well as upon carefully designed and promulgated policies of partial school consolidation to help offset increases in costs per pupil due to enrollment declines. These amounts of aid per pupil are not unreasonable when compared with marginal operating costs to the public sector of absorbing the total enrollment of Catholic schools, as described above, although the constitutional and political problems of mobilizing a national total of \$600 million to \$900 million in reasonably unrestricted state and federal aid by 1976 are not to be underestimated.

JUDICIAL DECISIONS

Seven states, New York, Pennsylvania, New Jersey, Illinois, California, Ohio and Michigan, account for 65 per cent of taxpayer savings from the operation of nonpublic schools. In three of these, Pennsylvania, New York and Michigan, the most successful resistance to state aid to church-related schools has emerged. The Pennsylvania Nonpublic Elementary and Secondary Education Act of 1968 provided for the state purchase of secular services from nonpublic schools, including reimbursement of teacher salaries.⁷ Although a Philadelphia district court decision in 1969 upheld the act, in June, 1971, the United States Supreme Court reversed that decision in *Lemon v. Kurtzman*, and in effect thereby eliminated from consideration similar proposals for direct reimbursement or purchase of services already legislated or pending in several states.⁸

On April 6, 1972, a federal district court in Pennsylvania declared unconstitutional another attempt by that state to aid nonpublic schools, this time with legislation to reimburse parents of nonpublic schoolchildren for tuition up to \$75 in elementary schools and up to \$150 in secondary schools. This decision was followed shortly by a federal district court review

of the Ohio Parental Grant bill and of an Ohio Supreme Court decision which, five months earlier (in a rehearing in light of the *Lemon* decision of the 1967 Ohio Auxiliary Materials and Services Act) had unanimously upheld the aid provided under the Ohio laws, in part because "the financial benefit is to parents and children, not to schools."⁹ The federal court repudiated the application of this principle to parental grants. If upheld by the United States Supreme Court on appeal, these decisions could cast into doubt the constitutionality of proposals for a federal tax credit to parents of nonpublic school children, since the federal district court in Pennsylvania argued that "by providing a program for aiding the parents, the state is plainly advancing religious education."¹⁰ Although economically intelligible, the ratification of this argument may serve to extend the notion of economic separation of church and state further than previous decisions affecting church-related schools.

A 1971 New York state law which would have allocated \$33 million for the purchase of services from church-related schools was voided in January, 1972, because of its similarity to the state laws voided in the June, 1971, Supreme Court decisions. In Michigan, the State Supreme Court upheld the constitutionality of the state Educational Services Act of 1970, but, seven months before the June, 1971, Supreme Court decisions, Michigan voters approved an amendment to the state constitution which forbids appropriation of public moneys or property for nonpublic schools and declares that "no payment, credit, tax benefit, exemption or deductions, tuition voucher, subsidy, grant or loan or public moneys or property shall be provided, directly or indirectly, to support the attendance of any student or the employment of any person at any such nonpublic school. . . ."¹¹

The scope of this essay and the competence of its author do not extend to legal analysis of the implications of recent state and federal decisions affecting public aid to church-related schools. Nevertheless, some comments about potential economic effects on some of the more familiar forms of aid in the areas of both public finance and private demand for Catholic education may be ventured. Most proposals for state and federal aid can be classified into four economically distinct categories: (1) purchase of service contracts; (2) tax credits and tuition rebates; (3) tuition grants or vouchers; (4) direct grants in kind.

Even the sketchy survey of recent legislative history is sufficient to suggest that none of these categories of aid can claim constitutional validity with assurance. Perhaps a constitutional expert may yet devise an unobjectionable purchase of service contract, but for now this route to aid, which may well have been the most popular as measured by the number of pending proposals in state legislatures prior to June, 1971, is closed.

⁷ For brief descriptions of proposals for state aid in effect and pending in the first quarter of 1972, see F. H. Bredeweg, *State Aid to Non-Public Schools* (Washington, D.C.: National Catholic Educational Association, 1972).

⁸ *Lemon v. Kurtzman* and *Robinson v. DeCenzo*, 403 U.S. 602 (1971).

⁹ Bredeweg, *op. cit.*, p. 22; *The New York Times*, April 18, 1972, p. 12.

¹⁰ See *The New York Times*, April 7, 1972, p. 14.

¹¹ F. H. Bredeweg, *op. cit.*, p. 21.

INCOME TAX CREDITS

The income tax credit, which would allow families to subtract part or all of their nonpublic school tuition payments from actual income tax payments, has risen in popularity among supporters of aid since the failure of purchase of service contracts to win court approvals.¹² Direct institutional aid would understandably be more attractive to the typical Catholic school decisionmaker than tax credits to Catholic parents. The tax credit will benefit the institution only to the extent that it produces indirect favorable effects in school operations. To the extent that the tax credit reduces the cost of Catholic education to families, enrollment may be favorably influenced. However, the enrollment demand analysis reviewed above suggests that this indirect influence of lower effective tuition rates is not likely to be great. Reductions in voluntary transfers of Catholic school pupils to public schools and resulting reductions in Catholic school closings might well not be sufficiently significant in cost savings to the public sector to warrant the cost of the tax credit as measured by foregone tax revenues. It is possible that the simple availability of the tax credit would help psychologically to strengthen confidence of Catholic families in the viability of Catholic schools, and thereby indirectly help reduce declining Catholic school enrollments.

On the other hand, for the tax credit to be transferred more directly to the cash balances of Catholic schools, it would be necessary for the Catholic schools to raise tuitions up to the amount of the tax credit itself. Such a policy would neutralize the impact of the tax credit on family incomes and enrollment demand. Moreover, it would adversely affect low-income families who do not pay taxes, unless provision were made by the schools for additional scholarship aid, or unless legislation were to include a negative income tax feature. Even then, the economic equity of the tax credit might be criticized on grounds that it offers the same relief to the rich as to the poor.

Despite administrative and analytic difficulties such as these, the income tax credit with the personal endorsement of President Richard Nixon has won the support of members of the National Council of Catholic Bishops and the National Catholic Educational Association as the most politically and constitutionally feasible form of aid legislation. However, the April, 1972, federal court decisions in Pennsylvania and Ohio, if upheld, would appear not only to close this route to aid, but virtually any other indirect form of financial aid to schools through parental assistance. Since it is always possible for individuals and institutions to transfer liquid funds from one purpose to an-

other, any financial aid which increases the liquidity of parents or schools can be construed as potential aid for "advancing" religious education. A reduction in federal income taxes to stimulate the economy has the same economic effect on incomes of parents. Property tax exemptions for nonpublic schools have the same economic effect, that is, to increase opportunities for schools to allocate uncommitted cash resources to religious education. Clearly, no aid proposal worthy of the name completely restricts the freedom of individuals and institutions to make substitutions in their own spending patterns. Moreover, to the extent that legislative aid proposals attempt to control the disposition of funds and thereby restrict the freedom to transfer funds from legally subsidized activities to unsubsidized religious activities, they may become increasingly suspect under the "excessive entanglement" criterion invoked in the June, 1971, Supreme Court decisions.

The issuance of tuition vouchers or grants to parents for use at any school, public or nonpublic, appeals to the economist impressed with the efficiency of a competitive free market. However, vouchers tend to shift the burden of school costs away from users to the public sector, and thereby minimize the commitment of private resources to education.

This underlies a principal economic argument for public aid to nonpublic schools. In this aspect of public finance, vouchers are less desirable than limited tax credits, which would permit Catholic schools to raise tuitions to a higher proportion of school costs, and thereby maintain a private tuition commitment over and above any tax-credited portion. A voucher with sufficient value to cover costs per pupil in public schools would more than cover operating costs in Catholic schools, and hence relieve Catholic parents of the burden of private support. It is also possible that public regulation to ensure non-discrimination in admissions and the maintenance of other qualitative standards would seriously alter traditional operation of Catholic schools and run the risk of "excessive entanglement."¹³ Moreover, lobbyists for aid tend to regard voucher proposals as politically more controversial than tax credits because of the allegedly greater threat of vouchers to the public schools.

Direct grants-in-kind cover a wide range of services,
(Continued on page 87)

Ernest Bartell, c.s.c., was chairman of the department of economics at the University of Notre Dame before he became president of Stonehill College. Father Bartell has participated in a variety of economic analyses of nonpublic education at local, state and federal levels. His writings in this field include *Costs and Benefits of Catholic Elementary and Secondary Schools* (Notre Dame: University of Notre Dame Press, 1968).

¹² The economic effects of the tuition rebate are analytically similar to those of the income tax credit.

¹³ See Arthur Corazzini in *President's Commission Report*, Ch. IX, pp. 446-459.

"The demise of large numbers of private schools, which seems likely unless means are found to assist them, would create a virtual state monopoly in public schooling, a cheerless prospect which is inimical to American democracy."

Private Schools and the Public Interest

BY OTTO F. KRAUSHAAR
President Emeritus, Goucher College

THE CHIEF RATIONALE of the independent school is to offer a "better" education than that available in the public school.* Most parents desire for their children the best education within their reach. But "better" and "best" in this connection mean different things to different people. The best may mean academically or intellectually best, but not necessarily. What makes a given education "better" or "best" depends not only upon the available options but upon the value perspective of the parent who chooses. A recent survey entitled "How the Public Views Nonpublic Schools" found that "the reason cited most often by those who believe the quality of education is best in the private school is that the student receives more personal attention. . . . There is a strong tendency to judge quality by the way students are dealt with as individuals."¹ Most independent schools are relatively small and familial and have a favorable student-teacher ratio. These characteristics, as well as the ability of these schools to offer good intellectual training and rather rich opportunities in sports and extracurricular activities, figure strongly in the parental choice of such a school. It is a matter of priorities. The parent who chooses a church school as "best" usually assigns the top priority to education in a religious environment but looks also for a good education in secular subjects; he may in fact believe they are inseparable. The parent who chooses an independent school as "best," while he gives special weight to the school's academic attainments and associated characteristics, expects a good outcome also in

character education; many would contend that the two are inseparable elements of a good education.

Besides functioning as religious and academic alternatives to the public schools, private schools also fill special needs that public schools in many localities are not equipped to meet. Boarding schools are a case in point. Nonpublic schools also fill many other needs, among them schools for mentally defective, emotionally disturbed, or physically impaired children, tutoring schools, choir schools, schools based on a special pedagogical concept such as the Rudolf Steiner method or other free, experimental, or community school concepts, and schools designed to meet the special needs of minority groups, such as the black community schools that are sprouting in most urban centers. Throughout much of American history private schools were the mainstay of the nation's schools; and after the spread of the public schools private venturing has supplemented, extended and enriched the opportunities which the state makes available to children through its public schools.

It is often remarked about nonpublic schools that while they are privately managed they are essentially public in function. The current arguments in support of state aid for private schools use this fact as the major premise.

Right off one can say that compared to public schools private schools are usually fairly small; they are privately managed and financed, and stand in a special relation to their students because the students or parents choose the school and the school the student. The one is not required to attend, and the other is not required to admit. All this is clear enough for general purposes, but a closer look reveals that it is not quite that simple. In fact, every generalization about the control, funding, selectivity, size, and so on, of nonpublic schools is obliged to take into account variables which do not fit the customary stereotypes of independent or church-related schools.

* This article is reprinted from chapters I and III of Otto Kraushaar's study, *American Nonpublic Schools: Patterns of Diversity* (Baltimore: Johns Hopkins Press, 1972). Copyright © 1972, Johns Hopkins Press. Reprinted by permission.

¹ "How the Public Views Nonpublic Schools," a public opinion survey by Gallup International, sponsored and published by "A Study of the American Independent School" (Cambridge, Mass.: July, 1969), p. 3.

In school governance, for example, "private control" assumes many forms and is exercised in many different ways. The distinctively private way, following the model of the private college, is governance by an autonomous, self-perpetuating board of trustees who delegate much of their power and authority to the school head. This type of governance is typical of the independent schools. Many church-affiliated schools are presently in the throes of adopting it. Catholic parish schools were traditionally managed by a local pastor, priest or nun with some help from the parish council or board, but with precious little accountability to or interference from higher administrative echelons. But the trend is simultaneously toward governance by parish boards of education with genuine policy-making powers; and toward greater administrative integration of discrete units under diocesan boards of education. Catholic private academies, on the other hand, are separately controlled by one or another of the many religious orders. The governance of Protestant schools is so diverse, it is difficult to generalize except to say that school governance tends to follow the pattern of church governance.

Another commonly recognized characteristic of privatism is the derivation of financial support from client fees, endowment or other investment income, and philanthropy—in other words, from nonpublic funds. Again this is subject to exceptions. In the world of higher education, private universities have come to rely heavily upon public subsidies, while public institutions are beating the drums for private as well as public support. In consequence, the differences between public and private institutions of higher education have been noticeably blurred, but without subjecting private colleges, it should be noted, to a dangerous degree of public control. The line, however, between public and private elementary and secondary schools remains more sharply marked, not merely because the latter thus far receive only marginal support from public funds in most states, but because they are privately governed alternatives in fulfilling compulsory education laws. No one is compelled by law to go to college, but schooling up to the legally defined leaving age is compulsory. This fact puts the case for public support of the private school in a somewhat different light from that of the private college.

Still another characteristic of privatism in education is the practice of selective admissions based variously on mental aptitude, religious affiliation, ethnic kinship, social status and family background, or—failing all else—the ability to pay. Again, this is not uniquely a private school characteristic. Some public schools—the Bronx High School of Science and the Boston Latin School come to mind—practice selective admissions either openly on the basis of aptitude or special talent, or as a tacitly acknowledged academic pecking order among schools in a given municipality. On the

client's side, in choosing a school, the desire to be "with one's own kind," however "kind" may be defined, is a powerful motive. It is prominent among the reasons why some parents choose a private over a public school, and no less prominent in accounting for the migration of families from city to suburb, because the public schools there are generally better. Because this desire bulks so large in the bad conscience of our time, private schools are struggling to recruit "a better ethnic mix," while public schools are earnestly busing students to achieve at least a measure of racial integration. The desire to be "with one's own kind" also prompts members of the black community to demand schools of their own; whether they be public or private doesn't really matter much to them, just so they are *theirs* and are designed to meet their specific needs.

Mutuality of choice functions only within limits in many nonpublic schools. Church bodies have been known in the past to impose heavy sanctions, virtually compelling parents to enroll children in the denomination's schools, so that for all practical purposes the option of attending the local public school was psychologically all but closed. Financial restrictions also limit the choice of many who might prefer a private over a public school. And on the school's side, whether in church-related or independent schools, the selection of students is naturally restricted by the institution's proclaimed goals and constituency, or by less apparent but subtly applied screening policies. Nevertheless, within the limits of various restrictions on choice, the nonpublic school "chooses" its students in a way that most public schools cannot because they are under the obligation to take virtually all children from the given district. We suspect that this mutuality of voluntary choice by student and school, to the degree that it is present, is one of the very significant educational differences between private and public schools.

The difference stems from the fact that the public school finds itself with a building full of youngsters who are delivered to its doorstep unsolicited, including some who would prefer to be elsewhere, while the private school opens with a complement of students who were formally accepted by the school and who chose it. Voluntary choice provides a constructive basis for the growth of mutual responsibility and trust between the student and the school, with both parties having a stake in making the relationship work. Moreover, the exercise of choice maintains an educational free market which provides some public measure at least of the performance of competing schools as well as an incentive to improvement. Some public school critics suggest that more real competition among public schools, as well as among private and public schools, might provide significant new incentives to reform.

The typical private school is not only unitary and relatively autonomous; it is with but a few exceptions

a relatively small school that enrolls only a manageable group of students—usually a smaller number than the minimum effective size set for public comprehensive high schools by Dr. James B. Conant in *The American High School Today*.² Catholic elementary and secondary schools are somewhat larger on the average than other nonpublic schools. Most nonpublic schools are small by choice; some remain small because they lack reputation and clients, or the money or incentive to grow. But whether a school is small by choice or by the force of circumstances it is characteristic of private schools to regard smallness and direct human relations, unburdened by bureaucratic complexities, as essential. The aim is to provide a familial, personalized education under a headmaster or principal who accepts a broad delegation of power. Many public schools, on the other hand, under the necessity of dealing with large numbers efficiently and economically, delegate the decision-making powers to a hierarchy of professional administrators, who because of the scale of operations are often remote from the students and the day-to-day educational process.

There are subtle resemblances, however, between certain public and private schools, resemblances in style and atmosphere. It is often remarked that smaller high schools in affluent suburbs or exurbs in some ways resemble elite private day schools. Similarly, certain Catholic diocesan high schools, apart from the religious symbols which are usually much in evidence, resemble gray area urban public high schools. This is true also of some urban Lutheran schools. The suburban and elite schools have in common the accent on college preparation and a student body drawn largely from a relatively homogeneous middle and upper middle class background. Resemblances between urban denominational high schools and the public high schools derive from the fact that

both serve a more heterogeneous socioeconomic clientele with both blue- and white-collar family backgrounds and with a variety of occupational destinations in prospect for the graduate.

RECENT ENROLLMENT PATTERNS

Considering the fact that nonpublic schools in the United States enrolled annually during the 1960's about six and a half million elementary and secondary school pupils, the American public appears to be surprisingly uninformed about them, how they operate, what types there are, and how they differ. The Gallup survey, "How the Public Views Nonpublic Schools," found that "by almost every test the public reveals little knowledge about nonpublic schools, especially about private non-church schools," even those in their own communities. The respondents professed little knowledge of how these schools are supported, how much it costs to attend or what assistance might be available in the form of scholarships. But despite this lack of information or immediate interest in private schools, 73 per cent of those interviewed across the nation thought it would be a good idea to include private and parochial as well as public schools in plans for new cities built from the ground up on open land. Among respondents living in communities where private schools exist, 84 per cent favored the inclusion of private schools in new cities. It is evident that these schools, though little known, are widely accepted as a natural expression of a pluralistic society, even by many who choose to send their children to public schools. The overwhelming majority believe "there should be a right to choose."³

It is not surprising, then, that church-affiliated and independent schools are still prominent on the American educational scene a century and a half after the birth of the modern public school. But unlike the private colleges which now educate about 25 per cent of all college students, nonpublic schools at present educate only about 13 per cent of all students enrolled in elementary and secondary institutions.

Though the percentages seem small, the total number of students attending nonpublic schools at the peak in 1965—roughly 6.5 million out of the 48.5 million enrolled in all types of elementary and secondary schools—is far from negligible. Quite apart from the human benefits conferred, in financial terms alone (assuming an average cost during the 1960's of \$500 per student in public schools, and an average annual enrollment in nonpublic schools of 6.2 million) the operation of nonpublic schools saved the states an expenditure of roughly \$31 billion on education.

Combining many sources of information, statistical and otherwise, leads to the following general conclusion: a ground swell of private school growth began soon after the Great Depression of the 1930's, the

² New York: McGraw-Hill, 1959. In his view a high school graduating fewer than 100 annually is too small to be capable of providing a comprehensive curriculum, that is, one providing academic courses for the college bound as well as vocational courses for terminal students. For private schools that specialize in one type of curriculum a minimum enrollment is less critical. In 1965-66 three-quarters of all nonpublic secondary schools enrolled less than 400 students. *Statistics of Nonpublic Elementary and Secondary Schools, 1965-66*, OE 20111 (Washington, D.C.: Office of Education, Department of Health, Education and Welfare, 1968), p. 19. Among the exceptions is the Punahou School, Honolulu, Hawaii, with an enrollment (in grades 1-12) of 3,480—the largest nonsectarian private school in the United States. On the other hand, there are schools so tiny that one is prompted to ask, What is a school? There is an approved school in North Carolina enrolling just four pupils, all in the fourth grade; and another, also approved, consisting of a father teaching his four children in his own home.

³ See pp. 4-5, of the Gallup survey cited above, n. 1. A companion survey entitled "The Public's Attitude Toward the Public Schools," sponsored by CFK, Ltd., using the same national sample as the private school survey, revealed that 49 per cent of those interviewed say they knew "very little" about the public schools, even those in their own community. Schooling is a topic about which many people evidently have firm opinions but little knowledge.

trend accelerated significantly after the Second World War, and crested in the midsixties. Since then, the decline in Catholic school enrollment has evidently more than offset increases in small but growing groups of Protestant and Jewish schools, black schools, segregationist academies, and experimental free, community elementary schools.

Each passing year records the demise of private schools, even long-established ones. It would be strange indeed if, in a time of vertiginous change, some forms of private schooling, that served well another era, were not found wanting and obsolete. Yet while the future of many private schools or groups of schools is far from secure, the idea of private venture schools as alternatives to public schools shows no sign of losing its appeal. On the contrary, the critics and frustrated reformers of public education turn naturally to private-venture schools to try out new ideas and to seek a fresh start.

THE ISSUE OF AID

The issue of state aid to nonpublic schools is commonly put as a choice between whether private schools should or should not be assisted by public funds. But to put it thus is an archaism. Aside from the exception which these schools enjoy from both state and federal taxes—an indirect but nonetheless appreciable benefit—at least 23 of the 50 states provide pupil transportation, either statewide or within some local school districts; nine “loan” textbooks, and more have legislation to this effect pending, and at least eight provide health services either statewide or in some local jurisdictions. State or county contracts with private schools covering the provision of special kinds of education or under special circumstances, though not widespread, are significant in that they continue an old New England tradition of reimbursing available private schools for public services rendered instead of building competing schools under public control. For example, Alaska contracts with certain parochial schools to provide “educational opportunities” for students in rural areas; in Massachusetts the State Development Commission is authorized to fund selected privately-run experimental schools; in Maryland the state pays certain specialized private schools the full cost of educating physically handicapped children, a practice which is duplicated by a number of other states. Hawaii provides a tax credit on a fixed schedule for student dependents. A few states have encouraged shared time or dual enrollment so that private school students can take advantage of programs in public schools.⁴ The issue of state aid has never been, in the United States, a question of whether the state shall or shall not aid nonpublic schools: it is in most

states a question of how to aid and how much aid.

These efforts taken together define a new national concept of “public education” embracing all schools that serve a broadly useful social purpose. It is a natural development out of the “new pluralism” which conceives American society and its institutions as an outgrowth of a succession of religious, ethnic, and racial conflicts. The price of peace is the gradual accommodations that are negotiated as new groups rise to challenge the dominant ethnic group—in our national history the white Protestant establishment which long dominated the public school system.

Despite the stout resistance of First Amendment fundamentalists who test proposed innovations in welfare and education by whether they maintain the mythical “wall of separation” between church and state “high and impregnable,” in Mr. Justice Black’s rhetorical flourish, the dominant trend recently in the politics of state aid appears to be an accommodating pragmatism, rather than a polarization into absolute either/ors.

This is well illustrated by the brief but controversial history of Titles I, II, and III of the Federal Elementary and Secondary School Education Act (ESEA) signed into law by President Lyndon Johnson in April 1965. Federal aid to public schools (as distinct from colleges) had been effectively blocked during the Kennedy administration by the conflict over aid to church-related private schools. The deadlock was broken early in 1965 by a formula which limited federal assistance to compensatory programs for poor and educationally deprived children, whether in public or private schools. The formula satisfied neither the public school-oriented separationists, who opposed any sort of aid to nonpublic schools, nor the private school accommodationists who felt it did not go far enough. But by means of some arm-twisting persuasion the rival National Education Association, championing the public schools, and the National Catholic Welfare Conference (now the United States Catholic Conference), battling for the nonpublic schools, gave their grudging consent and drew the diffident National Council of Churches into the agreement along with several other moderate separationist groups. Hardcore separationists such as the American Jewish Congress, the ACLU, and the Americans United for the Separation of Church and State remained unconvinced.

The case for federal aid to nonpublic schools was reopened by President Richard M. Nixon’s executive order of March, 1970, establishing a President’s Commission on School Finances which was charged with the task of helping “states and communities to analyze the fiscal plight of their public and nonpublic schools.” In the words of the President, “New methods of organization and finance must be found, and public and nonpublic schools should together begin to chart the

⁴ See the summary of “State Programs for Support to Nonpublic Schools” in *Compact*, published by the Education Commission of the States, February 1970, pp. 14–17.

fiscal course of their educational planning for the seventies."

It is unmistakably clear from a survey of school finances that the nonpublic schools, along with all educational institutions in the United States, higher and lower, public and private, face a severe financial crisis. It is by now a familiar story to every newspaper reader. Inflation, the present recession, rising teacher salaries, the soaring costs of all goods and services, have contributed to a deepening financial plight which threatens the survival of large segments of nonpublic schools. As the inflation reduces the disposable income of many families, private school charges, even in the low tuition schools, are beyond the reach of more and more families.

Unless state and federal aid are forthcoming in significant amounts, the private school sector will be seriously weakened either by accelerated school closings or by progressive deterioration in the quality of education the surviving schools are capable of offering.

Such a development would be viewed by single-minded advocates of public education as a consummation devoutly to be desired. Following the lead of Horace Mann's messianic vision of public schools' mission, they maintain that the very existence of private schools is divisive, that the public schools alone are the great engine of Americanization. Until quite recently the public school was idealized by many Americans as a sacred institution, a bulwark of American society, of whose benevolent ministrations no child should be deprived. A careful reading of school history in the United States does not bear out such a complacent interpretation. For one thing, the public schools enjoyed only a partial success in assimilating the poor and the immigrants; too often these minorities were treated with a degree of contempt that drove them to build their own schools. And while it is true, on the other hand, that in their early history the religious schools were as much concerned with perpetuating a separate ethnic culture as with providing education in citizenship, times have changed, and religious and ethnic cleavages are not nearly as deep as before.

The unity of American life has never been monolithic; it has always been essentially pluralistic. The people of varied ethnic, religious, and national backgrounds who settled here found that America recognized no permanent national or cultural minorities of the European type. Within two generations the assimilative process had usually done its work. In the process religion was the primary context of self-identification and the medium through which ethnic concerns were represented and refined—the "triple melting pot" of Protestant, Catholic, and Jewish religious communities. Public education, on the other hand, is now not nearly as "public" as it was thought to be a half-century ago, because of the self-sorting of neighbor-

hoods by income, race, and social background.

The allegation that nonpublic schools, Catholic schools in particular, are divisive is often a mask for prejudices which cloud the discussion of the merits and demerits of public and private schools. "Educators have taught us," writes Christopher Jencks, "to use 'public' as a synonym for 'democratic' or just plain 'good,' and to associate 'private' with 'elitist' and 'inequality.'"⁵ Attributions of this sort obscure more than they reveal. Posh country-club boarding schools make up only a tiny fraction of nonpublic schools, and most of them are straining at great cost to diversify their student body. The church schools, on their part, enroll many thousands of children from poor and lower class families.

The demise of large numbers of private schools, which seems likely unless means are found to assist them, would create a virtual state monopoly in public schooling, a cheerless prospect which is inimical to American democracy. Pluralism has contributed greatly to making American society a diverse, free, and self-renewing organism. The forces that would compulsively level individual and group differences under state-dominated programs are always at work. They should be impeded rather than encouraged. Moreover, the public school needs the private school as a salutary point of reference. The very presence of nonpublic schools, the fact that parents choose them because they believe these schools offer a better or a different kind of education and do more for their students, is a standing challenge to the public schools. The prudent course for American education is not to put all the eggs in one basket, but to encourage schools with a diversity of goals, methods, and types of management so that parents will have options and alternatives. The problem is to make such options available to the poor as well as to the rich.

Not the least of the reasons that cause many a taxpayer to lend a sympathetic ear to the advocates of state aid is the prospective cost of shifting millions of youngsters from parochial to public school rolls. The operation of private schools has saved the states many billions of dollars. It makes good sense economically to support in part the education of children in nonpublic schools so that the state need not support them fully in public schools.

Otto F. Kraushaar is chairman of the Maryland Commission to Study Public Aid to Nonpublic Education. He has taught philosophy at Smith College, the University of Iowa, and Harvard University, and has been a research associate of the Harvard Graduate School of Education while conducting a study of American private schools. He is the author of *American Nonpublic Schools: Patterns of Diversity* (Baltimore: The Johns Hopkins University Press, 1972).

⁵ *The Public Interest* 2 (Winter 1966): 24.

"The independent public schools . . . do not seek aid in the sense that parochial schools do. . . . They believe in the parents' right to choose what kind of education they want for their child, and believe those options can be offered within the public school system."

The Independent Public Schools

BY SUSAN S. EGAN

New York State Coordinator for the Committee of Community Schools, Inc.

IT MAY SEEM STRANGE to begin a discussion of independent schools by considering the public schools and the problems they have. The two have always been considered separate school systems with different problems and different interests. In fact, the distinction between them is less and less valid.*

Until very recently, there were only two kinds of independent schools: parochial and private. The private schools were, and are today, high tuition institutions which admit students on a selective basis, according to their previous academic success or tests which indicate that students are likely to be successful. For the most part, private schools have white, upper-middle and upper class populations, which are fairly uniform ethnically and religiously. The parochial schools are sectarian institutions, dedicated in one way or another to providing children with a religious education.

About six years ago, groups of parents who felt that the public schools were not effectively educating their children, who were not interested in a sectarian education, and could not afford to send their children to private schools began to start their own schools. Committed as they were to the idea of public education, they made their schools tuition free, sought financial support elsewhere and opened the schools to anyone who wanted to come.

Now there are approximately 120 such schools in New York State alone. Typically, each is run by a board of directors elected by the parents of students in the school. All policy matters are determined by the board, including curriculum, hiring and firing and fiscal procedures. Sometimes teachers sit on the board; sometimes representatives from the community in which the school is located and sometimes professionals, like lawyers or public school administrators, take part.

Because of parental control, educationally, the schools tend to be as different as the parents who run them. They run the gamut from very traditional to way out. Some are college preparatory or vocationally oriented. Others work with drop-outs, or with students with learning problems. Some are Montessori schools: some are Summerhillian; many have open classrooms. Because these schools are tuition-free, non-sectarian and open-to-all, they are called independent public schools. They are also variously known as alternative, community or free schools.

The existence of the independent public schools has precipitated something of a crisis in traditional thinking regarding public and private education. While the existence of a policy-making board of directors would suggest that these schools are private, the policy they are making is public. The reactions to the development of this definitional never-neverland have been widely varied. Private school advocates see independent public schools as a justification for public funding for private schools. Had it not been for private school tradition in this country, they say, independent public schools would never have developed.

The public school advocates, on the other hand, see independent public schools as a demonstration of the breadth and intrinsic flexibility of the concept of public education. The mere fact that independent public schools exist, they say, is the best reason why public funds need not be made available to private schools. In fact, independent public schools are neither public nor private, as those words have typically been defined. Interestingly, the New York state constitution does not define public schools. It provides that:

The legislature shall provide for the maintenance and support of the system of free common schools, wherein all children of the state may be educated. [Constitution, Article II, Section 1.]

LEGAL DEFINITIONS

New York State case law, however, has defined pub-

* In discussing the developments in independent education in the last several years, we will look primarily at New York State.

lic schools as schools which are open to all, have no religious affiliation and are intended for the inhabitants of the district where they are located.¹ In *Roman Catholic Orphan Asylum*, schools maintained in sectarian orphan asylums were held not to be "common" schools. The court emphasized the fact that common schools must be open to all children.²

Under this definition of a public school, independent public schools would be considered public if they were to receive public funds. Among the obstacles to public support of independent public schools is the intricate scheme of statutory provisions regulating the administration of the public schools which the legislature has established in order to fulfill the constitutional mandate.

The question of how many of these rules and regulations are really necessary in order that the state insure that the public monies made available for public education are properly spent has never been examined. The state education law has developed without real regard for consistency or relevance. As a consequence, the law now runs to five volumes and includes such inconsistencies as making the elementary school physical education requirement 120 minutes per week in one place and 15 minutes twice a day or 25 minutes a day in another place.

Today, tuition-free, non-sectarian community schools are trying to get tax levy monies (i.e., to become part of the public school system) without abandoning their administrative independence to the vagaries of the rules and regulations which would have to apply to independent public schools as a matter of law and those which apply as a matter of administrative regulation or even custom. It is customary, for instance, that students be given grades. All public schools in New York City are required to administer the Metropolitan Achievement Tests. That is a matter of administrative regulation. That the Board of Education is not permitted to delegate its responsibility for the education of the children in the city is a matter of law. The recurring question is: Is it necessary for a school to give Metropolitan Achievement Tests and grades in order to be designated as a public school?

In the public schools, while the schools are required to administer the Metropolitan Achievement Tests, the students are not required to take them. If a parent

chooses to keep her child home on the date the test is given, there is little the school can do about it. What is to prevent all the parents in a school from keeping their children home? And if they all do, does that make the school any less a public school?

Increasingly, in New York, the public schools are not giving grades. Nor are they requiring, with their former rigidity, 4 units of English, 3 units of social studies and 1 unit of science in high school. In fact, some experimental public schools have experimental admission procedures, a deviation from the norm which is far more basic to the concept of "public" school than grades or curriculum. The World of Inquiry in Rochester, New York, admits students on the basis of a computer print out which seeks to replicate the demographics of the city as a whole. When there is a vacancy to be filled at the school, it is filled with a child whose profile fits.

Can that school really be called open to all within the meaning of the law? Is that school any more "public" than a school like Harlem Prep which admits drop-outs, or a school like Children's Community Workshop, which admits students on a first-come, first served basis within three ethnic categories: black, white and Puerto Rican? The distinction between "public" and "private," in the conventional sense of the terms, has lost its meaning.

The principle obstacle to public support of independent public schools in New York is the existence of a board of directors. The state is supposed to manage and operate a system of public schools for the benefit of those children who may attend. Under existing education law, the state is not permitted to delegate that responsibility so that, until the law is changed, boards of directors of independent public schools will not legally be able to undertake the task of educating the children who attend their schools.³

An effort is now being made to change the state law. Assemblywoman Constance E. Cook and State Senator Thomas Laverne introduced legislation in 1972 which would permit tax levy funds to go to independent public schools, boards of directors and all. The bill faces some very stiff political opposition, but more importantly, it has intellectual opponents, people whose definition of public education differs from the one suggested by the bill. The bill suggests that public education is a very broad concept; that the obligation of the school system is to provide an education for the public. If the "public" is varied, multi-ethnic and economically diverse, the schools should recognize those differences if there is truly to be a "system of common schools wherein all children of the state may be educated." Public education has always been seen as the "great leveller." Equal educational opportunity has been construed to mean the same educational opportunity.

Independent public schools do not challenge the

¹ *People Ex. Rel. Roman Catholic Orphan Asylum v. Board of Education*, 13 Barb. 400, 410 (1851); *Gordon v. Cornes*, 47, N.Y. 608, 616 (1872).

² 13 Barb. 410.

³ On the other hand, the New York City Board of Education has gone to nearly ridiculous lengths to permit some measure of community control. In Park East High School, an experimental, comprehensive high school on Manhattan's upper east side, the board subcontracted with a community group to provide all the supporting services in the school. Supporting services were defined as all necessary support, including planning, consultants and supplementary staff, facilities, supplies and equipment, except for the furnishing of licensed teachers and core instruction.

concept of equal education. They question whether or not such education can be achieved through sameness. They do not question the government's responsibility for the education of all the children of the state, only whether that responsibility mandates a system of hierarchical controls. They recognize the fundamental differences between public and private education. They are not so sure that those differences are absolutes.

If the intellectual controversy stirred by the existence of independent public schools has been troublesome, it is equal only to the political confusion they have caused. Until recently, there were only two positions on aid to non-public schools. Proponents believed in pluralism and in the right of Catholic parents to choose what kind of school they wished their children to attend. Opponents believed that the state's first obligation was to the children who attend its schools and that the separation of church and state is a fundamental principle of American government.

The independent public schools, however, do not seek aid in the sense that parochial schools do. They want to be part of the public school system. They believe in the parents' right to choose what kind of education they want for their child, and believe those options can be offered within the public school system.

There is no longer any question that the current method of financing public education is both inadequate and inequitable. The public schools are starving to death, particularly in the cities. Until *Serrano v. Priest*⁴ becomes the law of the land and federal assistance is provided, funding independent public schools will unquestionably be an additional burden; however, so will the return of parochial school students to the public schools.

Additionally, it should be remembered that independent public schools in New York wish to be integrated into the public school system as schools, not as individuals. Along with the 6,000 children come the buildings (everything from remodelled supermarkets to second floor lofts), the teachers (usually more per classroom than in the public schools) and the administration, thus requiring a higher per capita outlay than the traditional public schools.

In addition to the problems caused by children returning to the public school system are those caused by the shift of children out to the independent public schools. As alternatives develop within the public school system, students will move over from the traditional schools. In any case, the traditional schools who lose a few students here and there are going to want to keep their teachers. More teachers and fewer students means a lower pupil/teacher ratio. In short,

it is entirely possible that in addition to the cost of independent public schools, there will be an increase in the cost of education being offered in the traditional public schools.

If one adds up the cost of new students and schools, resulting additional costs for old schools and an allowance for growth, one suspects that the total comes nowhere near the projected cost to the public schools of the drop in parochial school enrollment. No study has even been made of the comparative costs.

But it is worth noting that the funding of independent public schools is not necessarily in addition to the expenditures required to accommodate parochial school children. We can expect parochial schools, particularly those located in city ghettos where the student population is usually not predominately Catholic, to wish to join the public school system as independent public schools. We can expect it because it is already happening, most significantly in Milwaukee and New York, but in other areas of the country as well.

If parochial schools continue to be turned over to parents for the purpose of running tuition-free, non-sectarian, open-to-all schools, they will enter the public school system as independent public schools, not as parochial schools. To this limited extent, the financial problems surrounding the influx of parochial school children and the funding of independent public schools are the same.

In conclusion, we can form the following hypotheses regarding independent public schools:

Unlike other non-public schools, independent public schools are growing both in size and number. Fitting as they do within the legal definition of public school and recognizing that many of the rules and regulations governing public school administration are not inherently part of that definition, they can be expected increasingly to pressure the public school system for admission on some new definitional and administrative basis.

The independent public schools can expect support from the alternative schools within the system which find that the existing administrative structure is not conducive to the development of the kind of options they would like to see their schools offer. Additionally, they can expect support from the Church,

(Continued on page 87)

Susan S. Egan is New York State Coordinator for the Committee of Community Schools, Inc., a New York City-based organization founded by six community schools to explore the possibility of public funds for independent public schools. The founding members of the Committee are Harlem Prep, LEAP, Children's Community Workshop School, the East Harlem Block Schools, Discovery Room for Children and Lorillard.

⁴ 5 Cal. 3rd 584. For excerpts see *Current History*, July, 1972, pp. 28 ff.

"The cumulative effect of . . . state-local-federal sharing of fiscal responsibility [for education] has been the wholesale denial of equal educational opportunity in America."

The Case for Full Federal Funding of Education

BY JOHN J. CALLAHAN

Assistant Professor of Education, University of Virginia

THE FINANCING of American education should be a national responsibility. In order to guarantee equal educational opportunity, insure long-term revenue stability for education, and ameliorate existing disparities in educational finance, the federal government should be the exclusive source of educational revenue. Other factors also provide a compelling argument for federal assumption of educational finance. The ability of the national government to target funds on the urban and rural disadvantaged, to experiment with innovative, non-institutional approaches to improve educational outputs, and to coordinate education with closely related national human resource programs are other reasons for assigning the federal government sole fiscal responsibility for education.

Today, education is financed primarily from local and state revenue sources. At the local level, schools raise revenue almost exclusively from the property tax, which has been characterized by one economist as one of the "worst taxes in the civilized world."¹ In less sweeping terms, the property tax is noted primarily for its regressive qualities and its uneven administration, factors which make it a precarious instrument by which to finance education.

States traditionally involve themselves in educa-

tional finance through their intergovernmental aid systems. Such external aid programs are supposedly designed to channel monies to school districts that have either a low ability to pay for education or disproportionate educational demands² to meet, or both. Yet, all too many studies indicate that most state aid programs are neither massive enough nor selective enough to meet the pressing educational needs of the country's large cities or depressed rural areas.³

Federal aid programs, as presently structured, have not made a pervasive impact on American education. First, federal funds are generally not of sufficient magnitude, now comprising only about seven to eight per cent of total educational finances, to offset the fiscal deficiencies in existing patterns of state-local support for education. Secondly, even when federal aid is structured to meet certain urgent educational needs, its mismanagement by state and local school administrators has prevented the federal intent from being served.⁴

CURRENT INEQUALITIES

The cumulative effect of this state-local-federal sharing of fiscal responsibility has been the wholesale denial of equal educational opportunity in America. In the words of one recent court case on the subject, the present fiscal system for education is of the "tax more, spend less" variety.⁵ Educational offerings are a function of local wealth. Consequently, poor districts have only a limited ability to offer their students a high-quality education. On the other hand, wealthy school districts can offer high-quality education at relatively low tax rates. Witness the fact that the Beverly Hills School district in Los Angeles County spends \$1,232 per pupil with a local tax rate of 2.38 per \$100 assessed value whereas a neighboring low-income district, Baldwin Park, raises only \$577 per pupil with a tax rate that is 5.48 per \$100 assessed value, or more than twice that of Beverly Hills.⁶

¹ Dick Netzer, *The Economics of the Property Tax* (Washington, D.C.: The Brookings Institution, 1966), p. 5.

² For a description of the various types of educational demands see National Educational Finance Project, *The Dimensions of Educational Need* (Gainesville, Florida: NEFP, 1969), Vol. 1.

³ An illustrative study is Seymour Sacks, *City Schools/Suburban Schools: A History of Fiscal Conflict* (Syracuse: Syracuse University Press, 1972).

⁴ U. S. Senate Select Committee on Equal Educational Opportunity, *Hearings on Equal Educational Opportunity*, Part 17 (Washington, D.C.: U. S. Government Printing Office, 1971).

⁵ *Rodriguez v. San Antonio Independent School District*, Civil Action No. 68-175-SA, U. S. District Court, Western District of Texas, San Antonio Division, December 23, 1971.

⁶ Data taken from the *Serrano v. Priest* decision (5 Cal. 3rd 584). See excerpts in *Current History*, July, 1972, pp. 28ff.

Compounding these problems is the disproportionate concentration of educational need in poorer jurisdictions. Thus, the "Big Six" cities in New York state contain 39 per cent of all student enrollment but over 90 per cent of all A.F.D.C.* children and all slow learners in that state.⁷ Nonmetropolitan districts in the country contain 30 per cent of all American public school children, yet 50 per cent of all poor persons in the country. Indeed, fully 52 per cent of all nonmetropolitan blacks in the country lived in poverty in 1970.⁸

The greater incidence of poverty in large city and rural districts resulting from fiscal disparities has levied an expected toll on education in these areas. For example, in a recent survey of 30 selected metropolitan areas, median educational attainment was found consistently to be lowest among central city blacks and highest among suburban whites. In like manner, the central cities contained proportionately more population with less than a grade-school education and proportionately less population with a college education than the surrounding suburbs.⁹ Given the extensive out-migration that has occurred in the nation's largest central cities, it is only too apparent that big city education has become increasingly undesirable to many of its former or prospective citizens.

Rural districts also feel the keen edge of educational disadvantage in this country. Average levels of educational attainment, particularly in farm areas, are among the lowest in the nation. Rural blacks, in particular, have the least degree of formal schooling.¹⁰

In short, there is a grave mismatch between fiscal resources and educational need in this country. In large measure, this mismatch is a consequence of too great a reliance on state-local funding for education. The Republic is now nearly 200 years old; for that entire period, education has been a subnational responsibility, unable to meet the urgent educational needs of urban and rural disadvantaged. The time for incremental change is past. Only the radical alternative of full federal funding for education will suffice to bring about wholesale changes in American education.

Recent successful court challenges to existing state-local school finance systems have all stipulated that

"... the level of spending for a child's education may not be a function of wealth other than the wealth of the state as a whole."¹¹ Consequently, variations in local school district wealth cannot now legitimately affect the provision of educational services at the local level in some states. In short, poor districts are not precluded from offering superior educational services by their initial lack of resources and wealthier districts are not permitted the opportunity of having high quality services with the additional luxury of low tax rates.

Yet, even if suitable equalizing finance reforms were effectuated at the state level, fiscal inequities in educational finance would still exist. But instead of the disparities being intrastate in nature, they would be of an interstate dimension. The poor child in Mississippi would still not have the same resources at his command as the poor child in California. Indeed, school districts in close proximity would still experience sharp disparities after statewide equalization. If, for example, New York and Vermont raised all school expenditures to the level of the district in the 90th percentile of wealth, a school district in the Albany metropolitan area would have an average per pupil expenditure of \$1,193, a neighboring district in Bennington County would have an expenditure of \$905. Moreover, tax disparities would still exist. The New York tax rate for schools would be 4.9 per cent of income, the Vermont program would be 7.2 per cent of income. If Vermont's program were to be financed at a level comparable to New York's, effective tax rates would have to be raised to 9.7 per cent of personal income.

State-local fiscal reform can do nothing to ameliorate interstate fiscal inequities. Equal educational opportunity in terms of comparative equal resource availability for education is still lacking. Only by full national funding of education will such educational fiscal disparities be resolved.

Equalization of educational opportunity at a subnational level also runs grave risks in that states have never had a history of being particularly concerned with such topics as compensatory education. Only a handful of states at present have aid programs that meet the specific needs of educating the urban disadvantaged. On the other hand, the federal government earmarks over 40 per cent of all federal aid in a form that is designed to be specifically targeted on the educationally disadvantaged.

National funding of education is also desirable to eliminate the enervating tax competition among subnational units of government. Such competition between state and local governments, for example, has kept local school districts in many states from utilizing nonproperty tax sources for school purposes. Tax competition between states in regions like the South has prevented these jurisdictions from adopting broad-

* Aid to Families with Dependent Children, i.e., children in families receiving welfare.

⁷ Syracuse University Research Corporation, *Revising School Finance in New York State* (Syracuse: Syracuse University Research Corporation, 1972).

⁸ U.S. Senate Committee on Government Operations, *The Economic and Social Condition of Rural America in the 1970's* (Washington, D.C.: U.S. Government Printing Office, May, 1971), p. 49.

⁹ U.S. Bureau of the Census, *Educational Attainment in 30 Selected Metropolitan Statistical Areas*, Series P-20, *Current Population Reports*, No. 277, November, 1971.

¹⁰ U.S. Senate Committee on Government Operations, *op. cit.*, p. 93.

¹¹ *Van Duzart v. Hatfield*, U.S. District Court, District of Minnesota, Third Division, October 12, 1971, p. 2.

based graduated income taxes that would raise more money for education and thereby relieve local property tax burdens.¹² Interlocal tax competition has kept poorer suburbs and central cities from effectively competing with wealthier suburban districts in the provision of educational services. This horizontal tax competition among state governments, among local governments, and between state and local governments has most probably reduced the aggregate level of educational expenditures.

A problem closely related to tax competition is the tendency of subnational governments to underinvest in education due to their inability to retain the benefits of such expenditures in their jurisdictions. In a seminal study on economic externalities in education, Burton Weisbrod noted that due to the extent of population mobility in the country, "... the vast majority of financial returns from public elementary and secondary education are generally realized outside the school districts which provided the child's education."¹³ In a later work on the same subject, Weisbrod noted that rural areas in West Virginia that experienced outmigration tended to have lower expenditures for education than areas which did not experience such extensive outmigration. The existence of economic externalities in education first results in some jurisdictions under-investing in education¹⁴ and then in other jurisdictions bearing the costs of serving these under-educated people. Economic spillovers, then, often practically result in underinvestment in education in rural areas and overinvestment in related human resource services such as health and welfare in urban jurisdictions that received undereducated rural migrants.¹⁵ This form of underinvestment in education would be alleviated with federal assumption of educational finances.

Related to the problem of tax competition is that of the overall revenue inadequacy of state and local governments to support education. Most state-local fiscal systems rely on raising revenue from sources which are both (1) income inelastic and (2) regressive in character. Only the federal government with its well-established income tax can bear the fiscal burden

of financing education in a manner that will meet the various demands levied on education.

Full federal funding for education would also permit a long-needed realignment of public service responsibilities among state and local governments. Freed of the need to finance education, local governments could turn their attention to the provision of services that are indeed truly local in nature, such as police and fire protection. In a similar fashion, state governments could devote their attention to financing regional physical resource programs such as transportation or water pollution control.

The alignment of responsibilities would also be beneficial to subnational governments in that their remaining public service responsibilities, by being localized, would be better supported by local citizenry. Subnational governments, then, would be placed in the desirable position of providing only those services which had a local, regional or state impact. Thereby, citizens would be able to see a more direct connection between their tax liabilities and their expenditure benefits than they presently do when national responsibilities are performed by subnational governments.

The realignment of fiscal responsibilities would also permit the federal government to formulate a coordinated policy of national income maintenance involving various welfare, education, employment, and other human resource programs. The coordination of such national programs as Social Security, Manpower Development Training and Medicare with some educational efforts might conceivably result in more equitable distribution of income in the country.

The positive relationship between educational attainment and income is a well documented phenomena. The United States Census Bureau, for example, has noted that, as of 1970, 24.6 per cent of all persons 14 years and over having less than 8 years of formal education were in a low-income category. Comparable percentages for high school and college graduates were 6.3, and 5.3 per cent respectively.¹⁶ Another analysis of educational attainment-income data found that males completing a high school education were apt to earn \$160,000 more during their lifetimes than persons having less than a grade school education.¹⁷ Economic well-being, therefore, is a direct function of educational attainment. National funding of education, then, would raise the level of economic well-being in the country. Indeed, full federal funding of education would permit education to be perceived not as a school service but rather as an economic investment in improved human capital—an essential ingredient in national economic growth policy.

Full federal funding would not only confer increased economic benefits on the country, but it would also permit more experimentation and innovation within

¹² John Shannon, "State-Local Tax Systems: Proposals and Objectives," *National Civic Review*, Vol. 61, No. 4 (April, 1972), pp. 170-179.

¹³ Cited in George Break, *Intergovernmental Fiscal Relations in the United States* (Washington, D.C.: Brookings Institution, 1967), p. 66.

¹⁴ For a conceptual treatment of this subject, see Werner Z. Hirsch, *The Economics of State and Local Government* (New York, McGraw-Hill, 1970), pp. 115-117.

¹⁵ See Niles M. Hansen, *Rural Poverty and the Urban Crisis* (Bloomington, Indiana: University of Indiana Press, 1970).

¹⁶ U.S. Bureau of the Census, *Characteristics of the Low-Income Population*, Series P-60, No. 81 (November, 1971), p. 51.

¹⁷ Melvin R. Levin and Alan Shank (eds.), *Educational Investment in Urban Society* (New York: Columbia University Press, 1970), p. 15.

the educational enterprise. Policy development in a number of fields such as antipoverty work, legal defense services and Model Cities programs indicates that the federal government is the only governmental jurisdiction that has the capacity both to promote external change in public services and to take coordinative approaches to packages of services that in tandem will produce benefits that could not have been produced without such coordination.

Experience at the state and local level indicates that subnational educational bureaucracies are apt to be isolated from functional bureaucracies that need to be coordinated with education, and that these bureaucracies are unwilling to experiment with innovative programs that seek to raise educational progress through non-school measures. They are also unwilling to entertain institutional alternatives to the schooling process, such as the tuition voucher plan, and are so wedded to traditional approaches to the educational enterprise that they even manage to subvert the national interest in programs that are specifically designed to bring about certain educational effects.

Full transfer of fiscal responsibility to the federal government would clearly demarcate lines of accountability whereby local school agencies would have to account to one agent rather than trying to satisfy governmental interests at the regional, state and national level. The decrease in the number of participants in the educational enterprise would enable educational agents—schools and school districts—to achieve a clearer perspective on their goal-setting and objective attainments.

The change in lines of funding would also permit more flexible institutional policies in education. Presently, for example, federal funds for education flow to state departments, then to school districts, then to individual schools and finally into the classroom. With the federal government as the *only* source of educational funding, a variety of alternatives with regard to educational administration could be worked out. The federal government might choose to work with existing school districts where they exhibit the ability to produce certain kinds of educational product. On the other hand, in some cases, direct federal relations with individual school systems that have peculiar educational needs would be permitted. Indeed, in some cases, the teacher could be viewed as the direct fiscal agent for allocating fiscal resources in a classroom situation.

By breaking out of traditional jurisdictional molds of providing educational services, the federal government could also make important strides, for example, in testing whether selected noninstitutional policies would improve educational effectiveness. Just as the federal government is now testing the family assistance plan on an experimental basis, the national government would be in an excellent position to test, on a

voluntary basis, the voucher systems or dual school system plans and other noninstitutional programs which put the educational consumer—the parent or the child—in a better position to choose the educational programs that he feels are necessary to his well-being.

Viewed from a number of economic, social and political perspectives, it is desirable that education be funded solely by the national government. Existing systems of educational finance have been notably weak in providing fiscal equity among school jurisdictions; they have not allowed full play to compensatory education efforts, nor have they permitted viable institutional or programmatic alternatives to ongoing educational programs.

Changing the funding mechanism for education can raise the level of equity in educational finance. It can permit the targeting of necessary resources on pupils who are hard to educate or who need to be educated outside of a traditional school setting. It can also permit more innovative approaches to the educational enterprise and sharpen community and individual preferences for an educational program that will be in accord with consumer preferences.

Traditionally, education has been viewed as a function of the family or the immediate community of one's neighbors and friends. Unfortunately, this vestige of local fiscal responsibility has outlived its usefulness. An industrialized society can ill afford to let education be a function of local or state wealth. Rather, economic stability and social well-being demand that the financing of education be a national responsibility.

Full federal funding will create equal access to educational programs among those in a particular need category, regardless of their residence. Moreover, only the national government has the ability to provide unequal resources for those educational units that are in need of unequal treatment to achieve equal educational performance. Only in that manner will horizontal and vertical equity in educational finance be effected. The continuance of subnational participation in educational finance leads to persistent inequality of educational opportunity, underinvestment in education and a continuing lack of innovative approaches to America's educational problems.

John J. Callahan has written extensively in the field of school finance on the reform of state and federal aid systems, the fiscal implications of big city school decentralization and innovative approaches to school capital financing. He has worked with the New York State Fleischman Commission and is working with the Lawyers Committee for Civil Rights Under the Law on school finance plans to meet the test of *Serrano v. Priest*.

"If we remove the creative tensions that multiple controls over education provide, we doom education to failure in its most pressing quest, the search for effective creativity."

Full Federal Funding: Educational Nightmare

BY JOEL S. BERKE

*Director, Educational Finance and Governance Program,
Syracuse University Research Corporation*

THE WAY AMERICANS raise and distribute resources for their public schools is a national disgrace. Systems of school finance throughout the nation are characterized by inequity, irrationality and inadequacy. Blame rests primarily with the states, but the unwillingness of the federal government to provide a greater and better focused proportion of educational funding has contributed to the continuance of these problems. Brought to a head by recent court decisions, public concern is leading to a number of possible reforms. The least promising of these, however, is the proposal that the federal government assume responsibility for all funding of American public education. Such an approach is both a fiscal pipe dream—which is neither legally, politically, or administratively feasible—and an educational nightmare, which would destroy some of the major sources of strength that characterize American education.

State after state spends for education at the highest level for children from the wealthiest and most prestigious suburbs, while youngsters born in impoverished rural areas are frequently shortchanged. In regard to the level of educational spending most states provide, children from the urban ghettos of the big cities

tend to fall between these two extremes. However, when the higher urban costs for purchasing and personnel are taken into account and when the greater proportionate need for expensive compensatory educational services in large cities is considered, the educational discrimination against urban schoolchildren is probably equal to or greater than that against rural pupils.¹

While these fairly typical patterns of inequity may be found in most parts of the country, there is also an accompanying tendency towards a crazy quilt of arbitrariness and sheer irrationality in the assignment of who gets what in public schooling.

These characteristics are not restricted to the distribution of educational resources; they also afflict the system by which funds are raised for education. With few exceptions, states raise most of their revenues for education from local sources, and about 98 per cent of local taxes for education come from the local tax on real property. Since the distribution of property from community to community is so varied, the ability to raise funds for education is varied as well.

The evidence presented in *Rodriguez v. San Antonio Independent School District*² (the case currently on appeal to the United States Supreme Court from a federal court holding that the Texas system of school finance violates the Fourteenth Amendment of the Constitution) illustrates these points. The Texas districts wealthiest in property valuation tax themselves at the lowest rates; yet they realize the greatest revenues per pupil. The districts richest in property values and in income are lowest in the proportion of minority group pupils.

In addition to this wealth discrimination in regard to the ability to raise revenues, there is an anti-urban bias in local revenue-raising ability. Because of the growth of metropolitan population and other now

¹ For the following discussion of school finance problems see such works as the following: Charles S. Benson, *The Cheerful Prospect* (Boston: Houghton Mifflin Co., 1965); Arthur E. Wise, *Rich Schools, Poor Schools* (Chicago: the University of Chicago Press, 1967); John E. Coons, William Clune III, and Stephen Sugarman, *Private Wealth and Public Education* (Cambridge: Harvard University Press, 1970); James W. Guthrie et al., *Schools and Inequality* (Cambridge: M.I.T. Press, 1971); Seymour Sacks, *City Schools-Suburban Schools* (Syracuse: Syracuse University Press, 1972); Joel S. Berke, John C. Callahan, and James A. Kelly, *The Financial Aspects of Equality and Educational Opportunity and Inequities in School Finance*; A Committee Print of the U.S. Senate Select Committee on Equal Educational Opportunity, 92nd Congress, 2nd Session, 1972.

² 337 F. Supp. 280 (W.D. Tex. 1971), probable jurisdiction noted by United States Supreme Court, June 7, 1972.

familiar economic developments, much heavier demands for public services are levied against the tax bases in most large central cities; consequently these cities suffer higher tax rates than most of their surrounding suburbs. Devoting money to education, therefore, is far more difficult in urbanized areas than in neighboring districts whose requirements for general governmental services are less demanding.

PROBLEMS IN STATE AID

What has the performance of the states been? While they provide a substantial share of support for education, currently about 40 per cent for the nation as a whole, and while a growing proportion of those funds have been allocated with the explicit purpose of "equalizing" local disparities in the capacity to support education, state funds have not overcome the inequitable and arbitrary patterns described above.

Disparities among the states are also marked, although they tend to be less extensive than the disparities within states. On the resource allocation side, the range is from \$460 in Mississippi to \$1,250 in New York. On the revenue side, tax effort for education ranges from Oklahoma's 3.8 per cent of personal income to Vermont's 6.5 per cent.³ In a national economy characterized by extensive internal migration, and in a democratic society that bets its future on the intelligent citizenship of its voting public, such a range in resources for education is unacceptable.

Besides these aspects of inequality and arbitrariness, an additional fiscal problem is facing public education: inadequacy of the level of resources.⁴ This problem of inadequacy is not unrelated to fiscal inequity. As court cases and public commissions have focused attention on the disparities in school resources, educational finance reforms have come under wide and active consideration. Not surprisingly, the costs of reform are turning out to be substantial. Recent estimates made on the basis of data collected for the President's Commission on School Finance suggest that the cost of bringing each child in each state up to

the current spending level for the top 10 per cent of children in those states is probably close to \$9 billion.⁵ A program to meet the particular needs of large urban areas such as that suggested by the HEW Urban Education Task Force in 1969 could cost another \$7.5 billion.⁶ Fully funding Title I of ESEA to assist in what is probably the most pressing educational need—the education of the poor—could easily cost an additional \$4 billion. Thus the bill for the nation's schools, currently \$46 billion, could well be increased by an additional \$20 billion if a serious attempt were made to eliminate the crises in equity and adequacy that currently bedevil American education.

THE FEDERAL ROLE

The federal government has been a partner in the support and shaping of American public education since the early years of the nation's history. In fact, legislation providing the first national aid to education—the provision of land for the building of schools or for the support of education—was passed in 1785 by the Continental Congress. In the intervening 187 years, hundreds of federal laws have dealt with education, and the shape and pattern of the federal role has grown and changed. But two features have remained characteristic. Federal education programs have been designed to supplement state and local efforts in order to service particular national purposes as perceived by the Congress and the Executive Branch. In addition, federal aid has provided an extremely small share of the total support for education. In short, the federal government has been a junior partner, concerned with specific educational goals not being met by state and local funding efforts.

While there have been problems in federal education programs, by and large these programs have served the nation well. Curricula have been updated; teachers have been trained in needed subject areas; school districts have received crucially useful funds for innovative programs; and the needs of particular pupil populations not previously met have been met at least in part by federal aid. At present, even the most frequently attacked program, Title I of the Elementary and Secondary Education Act (ESEA, Act I), designed to provide support for the education of low-income children, is clearly of substantial value. As a fiscal device, Title I of ESEA is also a decided success.⁷ Title I gets money to places where the fiscal crisis is greatest.

(Continued on page 89)

Joel S. Berke is a guest scholar at the Brookings Institution. He is the coauthor of *Financing Equal Educational Opportunity: Alternatives for State Finance* (Berkeley: McCutchan, 1972), and *Federal Aid to Education: Who Benefits? Who Governs?* (New Haven: D. C. Heath, fall, 1972).

³ National Education Association, *Rankings of the States, 1971* (Washington, D.C.: NEA, 1971) pp. 63-64.

⁴ Joel S. Berke, "The Crisis in School Finance: Inadequacy and Inequity," *The Phi Delta Kappan*, September, 1971.

⁵ President's Commission on School Finance, *Review of Existing Programs*, Vol. II (offset); Robert W. Hartman and Robert D. Reischauer, "Financing Elementary and Secondary Education," in Charles W. Schultze et al., *Setting National Priorities: the 1973 Budget* (Washington D.C.: The Brookings Institution, 1972) p. 350.

⁶ Wilson C. Riles, *The Urban Education Task Force Report* (New York: Praeger Publishers, 1970) p. 309.

⁷ Joel S. Berke, et al., *Federal Aid to Public Education: Who Benefits?* A Committee Print of the U.S. Senate Select Committee on Equal Educational Opportunity, 91st Congress, 1st Session, USGPO, 1971; Joel S. Berke and Michael W. Kirst, *Federal Aid to Education: Who Benefits? Who Governs?* (New Haven: D. C. Heath, forthcoming, fall, 1972).

CURRENT DOCUMENTS

Wisconsin v. Yoder, 1972*

On May 15, 1972, the United States Supreme Court ruled 7 to 0 that the Wisconsin state law requiring Amish children to attend high school violated the Free Exercise [of religion] Clause of the First Amendment and that the right of the state to require universal education must be balanced against the right of religious freedom. Excerpts from the ruling follow:

Respondents Jonas Yoder and Adin Yutzy are members of the Old Order Amish Religion, and respondent Wallace Miller is a member of the Conservative Amish Mennonite Church. They and their families are residents of Green County, Wisconsin. Wisconsin's compulsory school attendance law required them to cause their children to attend public or private school until reaching age 16 but the respondents declined to send their children, ages 14 and 15, to public school after completing the eighth grade. The children were not enrolled in any private school, or within any recognized exception to the compulsory attendance law, and they are conceded to be subject to the Wisconsin statute.

Amish objection to formal education beyond the eighth grade is firmly grounded in . . . central religious concepts. They object to the high school and higher education generally because the values it teaches are in marked variance with Amish values and the Amish way of life; they view secondary school education as an impermissible exposure of their children to a "worldly" influence in conflict with their beliefs. The high school tends to emphasize intellectual and scientific accomplishments, self-distinction, competitiveness, worldly success, and social life with other students. Amish society emphasizes informal learning-through-doing, a life of "goodness," rather than a life of intellect, wisdom, rather than technical knowledge, community welfare rather than competition, and separation, rather than integration with contemporary worldly society.

. . . in order for Wisconsin to compel school attendance beyond the eighth grade against a claim that such attendance interferes with the practice of the legitimate religious belief, it must appear either that the State does not deny the free exercise of religious belief by its requirement, or that there is a state interest of sufficient magnitude to override the interest claiming protection under the Free Exercise Clause.

The essence of all that has been said and written on the subject is that only those interests of the highest order and those not otherwise served can overbalance legitimate claims to the free exercise of religion. We can accept it as settled, therefore, that however strong the State's interest in universal compulsory education, it is by no means absolute to the exclusion or subordination of all other interests.

We come then to the quality of the claims of the respondents concerning the alleged encroachment of Wisconsin's compulsory school attendance statute on their rights and the rights of their children to the free exercise of the religious

beliefs they and their forebears have adhered to for almost three centuries.

As the society around the Amish has become more populous, urban, industrialized, and complex, particularly in this century, government regulation of human affairs has correspondingly become more detailed and pervasive. The Amish mode of life has thus come into conflict increasingly with requirements of contemporary society exerting a hydraulic insistence on conformity to majoritarian standards. So long as compulsory education laws were confined to eight grades of elementary basic education imparted in a nearby rural schoolhouse, with a large proportion of students of the Amish faith, the Old Order Amish had little basis to fear that school attendance would expose their children to the worldly influence they reject. But modern compulsory secondary education in rural areas is now largely carried on in a consolidated school, often remote from the student's home and alien to his daily home life. As the record so strongly shows, the values and programs of the modern secondary school are in sharp conflict with the fundamental mode of life mandated by the Amish religion; modern laws requiring compulsory secondary education have accordingly engendered great concern and conflict. The conclusion is inescapable that secondary schooling, by exposing Amish children to worldly influences in terms of attitudes, goals and values contrary to beliefs, and by substantially interfering with the religious development of the Amish child and his integration into the way of life of the Amish faith community at the crucial adolescent state of development, contravenes [their] basic religious tenets and practices. . . .

Insofar as the State's claim rests on the view that a brief additional period of formal education is imperative to enable the Amish to participate effectively and intelligently in our democratic process, it must fall.

The independence and successful social functioning of the Amish community for a period approaching almost three centuries and more than 200 years in this country is strong evidence that there is at best a speculative gain, in terms of meeting the duties of citizenship, from an additional one or two years of compulsory formal education. Against this background it would require a more particularized showing from the State on this point to justify the severe interference with religious freedom such additional compulsory attendance would entail.

For the reasons stated we hold, with the Supreme Court of Wisconsin, that the First and Fourteenth Amendments prevent the State from compelling respondents to cause their children to attend formal high school to age 16. . . .

*—U.S.—(1972); 40 U.S.L.W. 4476 (May 16, 1972).

BOOK REVIEWS

ON EDUCATION . . .

AMERICAN NONPUBLIC SCHOOLS: PATTERNS OF DIVERSITY. By OTTO F. KRAUSHAAR. (Baltimore: The Johns Hopkins Press, 1972. 387 pages, appendix and index, \$10.00.)

Dr. Kraushaar has written a detailed account of the history, value and future of nonpublic schools in the United States. This is an excellent analysis by a respected educator who believes that the nonpublic school system constitutes "an important resource in America's dual system of public and private schooling . . . currently in serious jeopardy."

EDUCATIONAL VOUCHERS: CONCEPTS AND CONTROVERSIES. Edited by GEORGE R. LA NOUE. (New York: Teachers College Press, 1972. 176 pages, \$8.50.)

In the light of recent court decisions virtually destroying the tax bases presently used to finance our schools, this excellent book outlining the various proposed educational voucher systems will aid the reader in making his own policy judgments.

READINGS ON AMERICAN SCHOOL FINANCE, PART II

Educational Policies Commission. *Challenge to Education in a Changing World.* Cambridge: Harvard University Press, 1963.

———. *Federal Financial Relationships to Education.* Washington, D.C.: National Education Association, 1967.

Educational Research Service. *School Bond and Budget or Tax Rate Referendums, 1970.* Washington, D.C.: Educational Research Service, 1971.

Ells, R. and K. G. Patrick. *Education & the Business Dollar.* New York: Macmillan, 1969.

Eliot, Thomas H. and Robert H. Salisbury. *State Politics and the Public Schools: An Exploratory Analysis.* New York: Knopf, 1964.

Erickson, Donald A., ed. *Public Controls for Nonpublic Schools.* Chicago: University of Chicago Press, 1969.

Everly, Hubert V. "Hawaii: Equalization Through Centralization," *Current History*, August, 1961.

Fantini, Mario et al. *Community Control & the Urban School.* New York: Praeger, 1970.

Federal Security Agency, Office of Education. *Public School Finance Programs of the Forty-Eight States.* Washington, D.C.: Government Printing Office, 1950.

Ferguson, Leroy C. *How State Legislators View the Problem of School Needs.* Washington, D.C.: USOE, Cooperative Research Project, 1960.

Fowlkes, John G. and George E. Watson. *School Finance and Local Planning.* Chicago: Midwest Administration Center, University of Chicago, 1957.

Freeman, Roger A. *Federal Aid to Education, Boon or Bane?* Washington, D.C.: American Enterprise Assoc., 1955.

———. *Taxes for the Schools.* Washington, D.C.: Institute for Social Science Research, 1960.

Friedman, Burton Dean and Laird J. Dunbar. *Grants Management in Education: Federal Impact on State Agencies.* Chicago: Public Administration Service, 1971.

Friedman, Milton. *Capitalism and Freedom.* Chicago: University of Chicago Press, 1962.

Full, Harold, ed. *Controversy in American Education*, 2nd ed. New York: Macmillan, 1972.

Gans, Herbert J. *The Levittowners: How People Live and Politic in Suburbia.* New York: Pantheon Books, 1967.

Garvue, Robert J. *Modern Public School Finance.* New York: Macmillan, 1969.

Gauerke, Warren E. and Jack R. Childress, eds. *The Theory and Practice of School Finance.* Chicago: National Conference of Professors of Educational Administration, 1967.

Gerwin, Donald. *Budgeting Public Funds: The Decision Process in the Urban School District.* Madison: University of Wisconsin Press, 1969.

Ginsberg, Eli. "The Economics of the Voucher System," *The Teachers College Record*, February, 1971.

Gittell, Marilyn. *Local Control in Education.* New York: Praeger, 1972.

———, and Alan G. Hevesi, eds. *Politics in Urban Education.* New York: Praeger, 1969.

Graham, Grace. *The Public School in the American Community.* New York: Harper, 1963.

Guthrie, James W. et al. *Schools and Inequality.* Cambridge: MIT Press, 1971.

Hallak, J. *Analysis of Educational Costs and Expenditure.* New York: Unipub, 1970.

Hansen, Niles M. *Rural Poverty and the Urban Crisis.* Bloomington, Indiana: University of Indiana Press, 1970.

Harris, Seymour E. *Challenge and Change in American Education.* Berkeley, Calif.: McCutchan, 1965.

———. *Education and Public Policy.* Berkeley, Calif.: McCutchan, 1965.

———. *How Shall We Pay for Education?* New York: Harper, 1948.

———. *More Resources for Education.* New York: Harper, 1960.

Harrison, Forrest W. and Eugene R. McLoone. *Profiles in School Support: A Decennial Overview.* U.S. Office of Education, Washington, D.C.: Government Printing Office, 1965.

Henry, W. E. "When the Money Runs Out," *Today's Education*, March, 1970.

Hilson, Maurie et al. *Education and the Urban Community, Schools and the Crisis of the Cities.* Princeton, N.J.: Van Nostrand, 1969.

Hirsch, Werner Z. *The Economics of State and Local Government.* New York: McGraw-Hill, 1970.

Howe, Harold, II. "Anatomy of a Revolution," *Saturday Review*, November 20, 1971.

Hutchins, Clayton D. and Elmer C. Deering. *Financing Public School Facilities.* Office of Education Bulletin, No. 32. Washington, D.C.: Government Printing Office, 1959.

James, H. Thomas et al. *Determinants of Educational Expenditures in Large Cities of the United States.* Stanford, Calif.: School of Education, Stanford University, 1966.

- . *Wealth, Expenditures and Decision-Making for Education*. Stanford, Calif.: School of Education, Stanford University, 1963.
- Janssen, P. A. "Education Vouchers," *American Education*, December, 1970.
- Jarvis, Oscar et al. *Public School Business Administration and Finance*. Englewood Cliffs, N.J.: Prentice-Hall, 1967.
- Johns, R. L. and Edgar L. Morphet. *Economics and Financing of Education*, 2nd ed. Englewood Cliffs, N.J.: Prentice-Hall, 1969.
- . *Financing the Public Schools*. Englewood Cliffs, N.J.: Prentice-Hall, 1960.
- . *Problems and Issues in Public School Finances*. New York: National Conference on Professors of Educational Administration, 1952.
- Jones, Howard R. *Financing Public Elementary and Secondary Education*. New York: Center for Applied Research in Education, 1966.
- Kahn, Gerald. *Analysis of Financial Statistics of Local Public School Systems, 1967-68*. Washington, D.C.: National Center for Educational Statistics, 1970.
- Karst, Kenneth. "Invidious Discrimination," 16 *U.C.L.A. Law Review*, 1969.
- Katzman, Martin. *The Political Economy of Urban Schools*. Cambridge: Harvard University Press, 1971.
- Keppel, Francis. *The Necessary Revolution in American Education*. New York: Harper, 1966.
- Kimbrough, Ralph B. *Political Power and Educational Decision-Making*. Chicago: Rand McNally, 1964.
- Kraushaar, Otto F. *American Nonpublic Schools: Patterns of Diversity*. Princeton: Princeton University Press, 1972.
- Kurland, Philip. "Equal Educational Opportunity," 35 *University of Chicago Law Review*, 1968.
- Labovitz, I. M. *Aid for Federally Affected Public Schools*. Syracuse, N.Y.: Syracuse University Press, 1963.
- La Noue, George R. *Educational Vouchers: Concepts and Controversies*. New York: Teachers College Press, 1972.
- Legislative Reference Service, Library of Congress. *Beneficial Effects of Federal Aid to the States for Education*. Washington, D.C.: Government Printing Office, 1958.
- . *Major Federal Aid to Education Bills: A Chronological Summary and Description of Selected Major Bills, 1949-59*. Washington, D.C.: Government Printing Office, 1960.
- Levin, Henry M. *Community Control of Schools*. Washington, D.C.: The Brookings Institution, 1969.
- Levin, Melvin R. and Alan Shank, eds. *Educational Investment in an Urban Society: Costs, Benefits and Public Policy*. New York: Teachers College Press, 1970.
- Lieberman, Myron. *The Future of Public Education*. Chicago: University of Chicago Press, 1960.
- McCluskey, Neil G. "Federal Aid for Private and Parochial Schools? Yes," *Current History*, August, 1961.
- Martin, Roscoe C. *Government and the Suburban School*. Syracuse: Syracuse University Press, 1962.
- Masters, Nicholas et al. *State Politics and the Public Schools*. New York: Knopf, 1964.
- Meranto, Philip. *Politics of Federal Aid to Education in 1965: A Study of Political Innovation*. Syracuse: Syracuse University Press, 1967.
- Michelman, Frank. "On Protecting the Poor Through the Fourteenth Amendment," 83 *Harvard Law Review*, 1969.
- Miller, Helen A. *Federal Funds for Education: A History of Proposals Which Have Received Consideration by the Congress of the United States (1789-1960)*. Washington, D.C.: Government Printing Office, 1961.
- Miner, Jerry. *Social and Economic Factors in Spending for Public Education*. Syracuse: Syracuse University Press, 1963.
- Morlan, Robert L. *Intergovernmental Relations in Education*. Minneapolis: University of Minnesota Press, 1950.
- Morris, Van Cleve. "The Pros and Cons of Federal Aid to Public Education," *Current History*, August, 1961.
- Mort, Paul R. et al. *Public School Finance*, 3rd ed. New York: McGraw-Hill, 1960.
- Munger, Frank J. and Richard F. Fenno, Jr. *National Priorities and Federal Aid to Education*. Syracuse: Syracuse University Press, 1962.
- Nash, Paul E. *Culture and the State*. New York: Teachers College.
- National Education Association. *Advance Estimates of Public Elementary Schools for the School Year 1947-48*. Washington, D.C.: National Education Association, 1947.
- National Education Association, Committee on Educational Finance. *Challenge of Change in School Finance*. Washington, D.C.: National Education Association, 1967.
- . *Financial Status of the Public School*. Washington, D.C.: National Education Association, 1971.
- . *Financing Public Schools: A Study Guide*. Washington, D.C.: National Education Association, 1965.
- . *Interdependence in School Finance: The City, the State, the Nation*. Washington, D.C.: National Education Association, 1968.
- . *Financial Status of the Public Schools 1969*. Washington, D.C.: National Education Association, 1969.
- . *Local, State, Federal Relationship in Education*. Washington, D.C.: National Education Association, 1966.
- . *Long-Range Planning in School Finance*. Washington, D.C.: National Education Association, 1963.
- . *Planning for Educational Development in a Planning, Programming, Budgeting System*. Washington, D.C.: National Education Association.
- . *School Expense in Fiscally Dependent School Systems Compared with Total City Expense, 1967-68*. Washington, D.C.: National Education Association, 1970.
- . *Trends in Financing Public Education*. Washington, D.C.: National Education Association, 1965.
- . *What Everyone Should Know about Financing Our Schools*, rev. ed. Washington, D.C.: National Education Association, 1968.
- National Education Association, Research Division. *Financing the Public Schools, 1960-70*. Washington, D.C.: National Education Association, 1962.
- National Educational Finance Project. *Alternative Programs for Financing Education*. Gainesville, Fla.: National Educational Finance Project.
- . *The Dimensions of Educational Need*. Gainesville, Fla.: National Educational Finance Project, 1969.
- . *Future Directions for School Financing*. Gainesville, Fla.: National Educational Finance Project, 1971.
- National School Public Relations Association. *Federal Aid: New Directions in Education 1969-70*. Washington, D.C.: National School Public Relations Association, 1969.
- Netzer, Dick. *The Economics of the Property Tax*. Washington, D.C.: The Brookings Institution, 1966.
- New York State Commission on the Quality, Cost and Financing of Elementary and Secondary Education. *The Fleischman Report*. Albany, N.Y.: Department of Education, 1972.
- New York Times. *Report of the National Advisory Commission on Civil Disorders*. New York: New York Times Co., 1968.

(Continued on page 88)

CHANGING INFLUENCES IN AMERICAN EDUCATION

(Continued from page 52)

now working in this area, and because of the uneven distribution of such professionals in the country, the implementation of any such program would have to rely upon a large degree of parental involvement and training.

The changing life styles of students and parents have played a significant role in changing the tone and emphasis in schools and in educational programs. Dress, discipline and other areas of conduct are changing. It is not yet clear where all this will lead or what its results will be. But change is likely to be profound and pervasive.

9. *Expectations from Education.* Over the past 150 years the American people have come to expect and believe that education is "the" answer to any and all problems. Education has helped to improve economic conditions, reduce poverty, increase incomes, and expand science and technology. A substantial proportion of the body politic places major reliance on education for the improvement of conditions for citizens and their children. On the other hand, there is deep dissatisfaction among many young people, and some in other age groups, with conventional schooling, with the kind of world produced by the "educated" elite. The extent of alienation and frustration in our society reflects a dissatisfaction with the aims as well as the accomplishments of education.

NEED FOR PLURALISM?

Where these conflicting tendencies will lead us by the end of the decade is still unclear. As the values upon which our philosophy of education are challenged and contradicted, the need for a more pluralistic system of education may become ever more apparent.

10. *Changing Community Institutions.* Every teacher is aware of how much learning goes on outside of the school. It is clear that the school controls only part of the learning environment. What will be the effect on learning and schools if during this decade the nation adopts and puts into effect a program which eliminates discrimination on the basis of race, sex, creed and national origin, abolishes poverty, establishes a minimum income for all, provides a reasonable floor of protection for every retired person, eliminates hunger and malnutrition, and provides a national health insurance system for everyone from birth to death? It would make *some* difference, but we will not really know how much it affects education or other institutions until it happens.

Attitudes with respect to the role of men, women,

children, the family and school are undergoing change. So are attitudes toward work, leisure and what we think makes up "the quality of life." Our society is utilizing only a fraction of the energy, creative ability, ideas and productivity of many women and some men. We are probably utilizing only a fraction of the talent of most individuals. We know that every major period of great torment and distress has resulted in new tools and approaches in dealing with evolving problems. And among these new developments there will be many that we will not understand and many that we will not like.

We can, however, expect one certain development: there will be unexpected ramifications and implications. The human brain and the human nervous system are so complex that we cannot yet fathom all the possible lines of reaction to changing institutional and personal roles. It appears that many changes are in the making for our educational institutions and programs.

CONCLUDING OBSERVATIONS

Education is viewed from many different perspectives by different audiences in the educational arena, as for instance: students (at different age levels); parents (in various socio-economic classes); teachers (by size and location of school); taxpayers (in relation to the property tax); educators (depending on their academic specialization); and federal, state, and local legislators (depending on their political outlook and geographical location). There are also other forces at work in molding these perspectives: religion, race, ethnic background, and attitudes toward discipline, work, roles of men and women and outlook on the world. As all these forces change, so does education.

One of the major tasks of any educational system should be the cultivation of diverse approaches to the solution of social problems. We have enough experience to know that there are no simple solutions to the many different problems that beset us. A plea for diversity is not a request for chaos. It is a recognition of the fact that when people have the opportunity to make reasoned choices about their lives, and the lives of their children, the value of any decision that they make is greatly enhanced. If choice is limited, and knowledge is conceived of as something fixed or absolute, then any sort of social progress is marginal.

The frustrations of the teacher and administrator in education are painful because the gap between expectation and reality is so personal. The child is here and now, and passes this way but once. The teacher and parent can see the unlimited opportunities for the child, as well as the failures in accomplishing them. The process of education goes on for each child in each generation and in each society amidst a changing environment, goals and priorities.

THE JUDICIARY AND SCHOOL FINANCING

(Continued from page 57)

cation highly could tax highly and spend at the rate of \$1800 per pupil, districts with less interest in education could tax themselves less and spend \$1200 per pupil, and districts with little interest in education could tax themselves at low rates and spend \$900 per pupil. Under this system local choice would determine the expenditure level up to the ceiling determined in the legislation, but a district could no longer spend a great deal without taxing itself highly, and a poor district would no longer tax itself heavily and find it still could not raise adequate funds for education.

Since the fiscal neutrality rule is so open-minded the likely result is that legislatures will adopt financing systems which provide maximum flexibility for school districts.²⁷ No legislature will pass a bill which raises all funds from state sources and apportions them on a per student basis to school districts. Instead, what is likely to happen is one of two alternatives: either the state will raise all funds through statewide sales or income taxes, and then will distribute funds through basic "foundation grants" based on pupil enrollment (or attendance) and through categorical grants based on the rational classification of pupils; or the state will provide for a "power equalized" system of local school district taxation (based on assessed valuation, or preferably on the income of local residents) and a system of state subventions based on rational classification of pupils.

Unless additional state or federal revenue sources are found for school expenditures, the impact of the court cases would be to redistribute the existing revenues. The parents of children in wealthy districts might decide to abandon the public schools in the event that the ceiling on expenditures is unacceptable. Suburbs faced with busing orders might also adopt a strategy of taxing themselves at the lowest allowable rates for public education, and removing children from the public schools. The new state legislation must take into account the danger that at unacceptable funding or high taxing levels parents might refuse to support the public school system.

Moreover, unless additional state and federal revenue sources are found, the redistribution of existing funds will not help the urban poor. The school dis-

tricts in the large metropolitan areas are not poor, even though many *children* in the districts come from poor families. Because the assessed valuation in cities is high, spending per pupil is often above the state average. The poor rural and suburban districts will benefit from equalization, while the wealthy suburban districts and the "wealthy" urban districts (with their urban poor) will lose. In New York state, for example, a law professor has calculated that elimination of the irrational aspects of the system would result in a decrease in state aid to New York City of at least \$35 per pupil, or several hundred million dollars.²⁸ A promising social reform movement may end up hurting the very population it was originally designed to protect.

Presumably the President and Congress will provide for massive increases in aid to education, especially since the President has emphasized additional expenditures for urban schools to provide "quality education" and "equal educational opportunity" within the context of a so-called "neighborhood school" system.²⁹ Should the Supreme Court view the equalization of expenditures through the rule of fiscal neutrality as a means to accomplish the goals set forth by the President, the movement to achieve fiscal neutrality might, paradoxically, serve to end the thrust toward desegregation which marked the era of judicial activism in the last two decades.

EXTERNAL AND INTERNAL VOUCHERS

(Continued from page 61)

imate educational alternatives. In supply and demand terms, we now have a high demand market, but limited supply. The external voucher is a proposal of demand which is expected to affect the supply side.

Under the external voucher plan for education, it would seem that existing private schools would benefit to be sure. New private schools would also spring up, but how could any educational consumer be sure of quality? What would prevent a "fly-by-night" slew of institutions from emerging during high demand-low supply periods? These problems relate to the process of legitimization of educational alternatives. The public schools already have the manpower, the mechanisms, and the knowledge to deliver such a new supply system of safeguarded options at no extra cost to the taxpayers.

For any voucher plan (internal or external) to succeed, enormous attention must be given to parent and citizen education. Unless parents and their children receive basic educational information and understanding, their ability to make wise choices will be seriously curtailed. The heart of any voucher

²⁷ Coons, Clune, and Sugarman, "A First Appraisal of *Serrano*," in 2 *Yale Review of Law and Social Action*, pp. 114-119.

²⁸ Comments by Abraham Sofaer, "School Finance Litigation: A Strategy Session," in 2 *Yale Review of Law and Social Action* (1971), p. 160.

²⁹ For excerpts from President Nixon's message to Congress of March 17, 1972, see *Current History*, June, 1972, p. 305ff.

approach is individual choice from among educational alternatives. This means that parents and students, in particular, need to know the theory and practice surrounding each educational alternative. This type of consumer education cannot be left to chance. Consequently, a process must be developed to reach parents and students. Again, it appears that the public schools would be better able to deal with such a massive task at no added cost, for public schools can reach almost all learners and their parents in a matter of minutes, e.g., student assemblies, parent meetings, and so on; they have a built-in mechanism. They also have the manpower, the hardware and the software to educate the consumer.

Furthermore, the majority of Americans still attend and support a system of public schools. They may perceive the introduction of external vouchers as an attempt to weaken the public schools and strengthen private schools—including the highly controversial parochial schools.

The establishment of enough private schools to handle significant numbers of children would require increased public revenue and, in effect, would establish a private system of publicly financed schools. Middle-income parents would demand similar privileges. For financial reasons alone, the external voucher is hardly likely to become widespread in the foreseeable future.

Finally, internal vouchers need not cost more money. For example, it is estimated that "The School Without Walls"—the Parkway Program in Philadelphia, by using the city as the school, actually saved the city 15 million dollars in construction costs.

Internal vouchers are already beginning to emerge. The most advanced illustration is found in the Berkeley Unified School District in California, which now offers over 20 educational alternatives.

THE INDEPENDENT PUBLIC SCHOOLS

(Continued from page 75)

which can no longer support its ghetto-based schools without massive federal and state assistance, which it has no reason to suspect the courts will permit.

The operation of independent public schools within the public school system is likely to provoke an academic and administrative reaction within the public schools, a reconsideration of the kind of option the traditional school wants to offer. Any consideration of the cost of independent public school incorporation must therefore include an estimate of the cost of changes in the traditional schools.

Private school children are likely to return to the public school system when the options their parents have been willing to pay for outside the school system or outside the city begin to appear inside the school

system. To the extent that such a migration inhibits middle class movement to the suburbs, we can expect independent public schools to have a stabilizing effect not only on the public school population, but on the city population as a whole.

Whether these projections will be borne out depends in large measure on the willingness of the public school system to experiment, the willingness of the legislature to examine its definition of public education and the capacity of the existing independent public schools to survive until the first two things occur.

Whether or not funds can be found for independent public schools is not a question of whether or not we want a larger school system. The question is: do we want to enlarge the concept of public education? Do we quite literally want to encourage people to be part of the public school system? If the answers to those questions are unclear at this point, we can hardly be surprised. So little time and attention has been given to them. This is clearly the time to reconsider. What is public education? What is the purpose of public education? Just what is a public school anyway?

PUBLIC FUNDING FOR CATHOLIC SCHOOLS

(Continued from page 67)

from familiar textbook subsidies and schoolbus transportation to nutrition aid and driver education. Such grants provide services that often improve the quality of education, but seldom lighten the burden of basic educational operations. Although thereby less constitutionally suspect, the provision of grants-in-kind does little to liberate scarce liquidity for the operation of Catholic schools. The future of Catholic schools will not be decided upon the availability of additional auxiliary services, however legitimate.

The development of constitutionally acceptable forms of public aid that provides significant assistance to the operation of Catholic schools is by no means a certainty at either the state or federal levels, despite assurances from high places of assistance at some undetermined future date. Meanwhile, the financial problems of public schools continue to grow and to compete for attention, while the constitutional validity of traditional bases of financial support for public education is eroded by the decisions such as *Serrano v. Priest* in California.

It has already been pointed out that the effectiveness of amounts of aid that are likely to be politically feasible will depend upon decisions taken within the Catholic school systems to strengthen sagging enrollments and financial support and to economize on the use of existing resources. As the probability of prompt aid to nonpublic schools in constitutionally

acceptable forms becomes increasingly less predictable, the Catholic schools cannot afford to wait, but must face the responsibility of meeting internally the challenge of falling enrollments and rising costs. If the challenge is not met effectively, the trends suggest that by 1980 the traditionally largest nonpublic school system in the country will be educating less than 20 per cent of the Catholic school-age populations at costs that could absorb 75 per cent or more of available Church operating revenues for all purposes.

On the other hand, to the extent that Catholics are successful in finding imaginative solutions to their educational problems, their efforts may not only strengthen their hold on private support, but also achieve social significance. If it is true that America is becoming increasingly receptive to educational pluralism, Catholic school systems can provide a unique, broad institutional base to exercise national leadership for affecting changes in the form and content of education that transcend sectarian needs, thereby strengthening their own case for public aid. Ultimately, public aid and private initiative are complements, not substitutes, for one another.

READINGS ON SCHOOL FINANCE

(Continued from page 84)

- Norton, John K., ed. *Dimensions in School Finance*. Washington, D.C.: National Education Association.
- Orfield, Gary. *Reconstruction of Southern Education*. New York: Wiley, 1969.
- Pfeffer, Leo. "Federal Aid for Private and Parochial Schools? No," *Current History*, August, 1961.
- "Policy Statement on Financing of Private Institutions from State Funds," *School & Society*, April, 1969.
- President's Comm. on School Finance. *Progress Report*. Washington, D.C.: Government Printing Office, 1971.
- _____. *Schools, People and Money*. Washington, D.C.: Government Printing Office, 1972.
- Quattlebaum, Charles A. *Federal Educational Policies, Programs and Proposals: Part I, Background; Issues; Relevant Considerations*. Washington, D.C.: Government Printing Office, 1960.
- Ribach, Thomas E. *Education and Poverty*. Washington, D.C.: The Brookings Institution, 1968.
- Rosenstengel, William E. and Jefferson N. Eastmond. *School Finance: Its Theory and Practice*. New York: The Ronald Press Co., 1957.
- Rosenthal, Alan, ed. *Governing Education. A Reader on Politics, Power and Public School Policy*. Garden City, N.Y.: Anchor Books, 1969.
- Rowland, Howard S. and Richard L. Wing. *Federal Aid for Schools, 1967-68*. New York: Macmillan, 1967.
- Sachs, Seymour. *City Schools/Suburban Schools: A History of Fiscal Conflicts*. Syracuse: Syracuse University Press, 1972.
- "Saving Parochial Schools," *Time*, December 19, 1969.
- Seidner, F. J. *Federal Support for Education: The Situation Today*. Washington, D.C.: Public Affairs Institute, 1959.
- Sexton, Patricia Cazo. *Education and Income: Inequalities of Opportunity in Our Public Schools*. New York: Viking, 1961.
- Shannon, John. "State-Local Tax Systems: Proposals and Objectives," *National Civic Review*, April, 1972.
- State Education Department: Bureau of Educational Finance Research. "Understanding Financial Support of Public Schools-1970-71." Albany, N.Y.: University of the State of New York, 1970.
- Steel, Ronald, ed. *Federal Aid to Education*. New York: H. W. Wilson, 1961.
- Stone, James C. *Teachers for the Disadvantaged*. San Francisco, Calif.: Jossey-Bass, 1969.
- Study Committee on Federal Responsibility in the Field of Education. *Federal Responsibility in the Field of Education*. Washington, D.C.: Government Printing Office, 1955.
- Sufrin, Sidney C. *Issues in Federal Aid to Education*. Syracuse: Syracuse University Press, 1962.
- Swanson, Austin D. "Regional Problems in American Education," *Current History*, August, 1961.
- Swanson, Austin D. and J. A. Igoe. *Should Public Monies Be Used to Support Non-Public Education?* Danville, Ill.: Interstate, 1967.
- "Symposium: Who Pays for Tomorrow's Schools," *2 Yale Review of Law and Social Action*, 1971.
- Syracuse University Research Corp. *Revising School Finance in New York State*. Syracuse: Syracuse University Research Corp., 1972.
- "Taxpayers to the Barricades," *Time*, October 12, 1970.
- Tiedt, Sidney W. *Role of the Federal Government in Education*. New York: Oxford University Press, 1966.
- United Nations Educational, Scientific and Cultural Organization. *World Survey of Education*, Vol. 5. New York: Unipub.
- U.S. Department of Commerce, Bureau of the Census. *State Government Finances in 1970*. Washington, D.C.: Government Printing Office, 1971.
- U.S. Department of Health, Education and Welfare. *Catalog of HEW Assistance, Providing Financial Support to States, Communities, Organizations, Individuals*. Washington, D.C.: Government Printing Office, 1969.
- _____. *Do Teachers Make a Difference, A Report on Recent Research on Pupil Achievement*. Washington, D.C.: Government Printing Office, 1970.
- U.S. Senate Committee on Government Operations. *The Economic and Social Conditions of Rural America in the 1970's*. Washington, D.C.: Government Printing Office, 1971.
- "Voucher Plan; NEA Position," *Today's Education*, November, 1970.
- Ward, Leo. *Federal Aid to Private Schools*. Westminster, Md.: Christian Classics, 1964.
- West, E. G. *Economics, Education and the Politician*. Levittown, N.Y.: Transatlantic, 1969.
- _____. *Education and the State*. Levittown, N.Y.: Transatlantic, 1965.
- Wilensky, Gail R. *State Aid and Educational Opportunity*. Beverly Hills, Calif.: Sage, 1970.
- Wiley, Tom. *Politics and Purse Strings in New Mexico's Public Schools*. Albuquerque: University of New Mexico Press, 1968.
- Wise, Arthur E. "The California Doctrine," *Saturday Review*, November 20, 1971.
- _____. *Rich Schools, Poor Schools: The Promise of Equal Educational Opportunity*. Chicago: University of Chicago Press, 1968.

J.H.

FULL FEDERAL FUNDING: EDUCATIONAL NIGHTMARE

(Continued from page 81)

What is the justification for federal involvement in an area that is traditionally largely a function of local and state concern? First, there are some problems which, while national in scope, affect only a relatively small number of school districts. A number of federal programs are designed to relieve individual state and school districts of these nationally induced educational costs.

Second, there are national goals which may not be perceived by the states and school districts of the nation. Here, the perspective of the national executive and legislative branches is useful in focusing the resources of the nation on the educational needs of the nation.

Third, there are problems which, while of benefit to the states and school districts of the entire country, are beyond the resources or are far too inefficient for those states and school districts.

For all these reasons, programs of federal support for education have been adopted. Some have been achieved through heavy reliance upon federal funds alone. In others, relatively slender amounts of federal money have been used as levers to alter or influence state and local policy, but in all cases, the needs of a modern, mobile, industrialized democracy have demanded a federal role in providing quality education for all American children.

The near future might well be a time for the federal government to undertake another quantum leap like that of the mid-1960's. The problem of discrimination in school finance is rapidly coming to stage center in state capitals and in Washington, D.C. A federal program to help the states underwrite the costs of reform would be an appropriate response to a problem national in scope. The magnitude of that federal effort could well be in the \$10- to \$20-billion range.

In current terms, this would be far more than the President and Congress are likely to accept. It could raise the federal share of elementary and secondary costs from the current effort of roughly \$33 billion (7.1 per cent of the national total) to over \$20 billion, roughly one-third of a \$65-billion national public school bill—not at all an improper reflection of the national benefits received.

THE FULL FEDERAL FUNDING DANGER

The present federal share of school funding is clearly inadequate, but the bridge between that assertion and the advocacy of complete federal funding cannot be supported by logic, experience or analysis.

Any plan for full federal support would by defini-

tion require a prohibition against state and local educational revenue-raising. In the field of education, a) where there is no explicit grant of authority to the federal government and b) where the state role has long been viewed as one of the preeminent examples of a power reserved to the states and to the people by the Tenth Amendment, a federal prohibition on non-discriminatory state activity would have difficulty surviving a court test. While a federal exercise of authority to undertake grant programs under its power to tax and spend for the general welfare is unquestionably proper, the conversion of that limited role into a complete bar to state activity in an area of First Amendment sensitivity like education is a larger constitutional leap than the Supreme Court is likely to take.

Full federal funding would entail congressional responsibility for the expenditure of those funds. While state and local school boards have more than their share of faults, casting the United States Congress in their role would be sheer madness. For example, the program that appears to have the greatest congressional support, School Assistance to Federally Affected Areas (Impacted Areas Aid), is widely known as the educational pork barrel. Its funds, which are distributed through formulas which show a fine disregard for comparative fiscal need, reach more than three-fourths of all congressional districts. Efforts to trim, eliminate or reform the program by some congressmen, by commissioners of education and by Presidents of the United States have regularly failed.

Or consider the effects of the congressional authorization and appropriations process upon the planning and administration of school districts throughout the country. In the spring of 1972, for example, a host of valuable programs—higher education aid, the National Institute of Education and emergency desegregation funds—were held hostage for months to a ban on school busing. And not atypically, final authorizations for appropriations are usually granted just before or even well after the start of the school year for which they provide support. The harried school administrator who currently survives because only a small proportion of his funds are subject to this kind of uncertainty would founder if his entire budget were subject to such vagaries.

But Congress would have no monopoly on the production of problems for schoolmen. Full federal funding would suddenly require the United States Office of Education—a thinly staffed, low prestige agency tucked away in a second-level niche in the federal bureaucracy—to assume administrative control of a budget more than ten times greater than it has ever dealt with. The chaos that would ensue would take years to disentangle. An intensive study of the administrative problems that followed the passage of ESEA—a law only a fraction of the fiscal

magnitude of full federal funding—described the implementation process this way:

When, as in the case of ESEA, a law unprecedented in scope has to be administered through state and local instrumentalities, on an impossible time schedule, by an understaffed agency in structural turmoil, beset by a deluge of complaints and demands for clarification of the legislation at hand, as well as cognate legislation already on the books, the wonder is not that mistakes are made—the wonder is that the law is implemented at all.⁸

The assumption of total financial responsibility for education would require that federal officials exercise responsibility for those expenditures. Whereas in a system of mixed fiscal responsibility decisions are reached through a process of accommodation, full federal funding would drastically reduce the incentives for compromise. Federal officials would clearly be in the saddle and the checks against arbitrary actions which are at the heart of American federalism would be lost. The good intentions toward state and local initiatives demonstrated by officials of the United States Office of Education would be hard put to survive for long without the buttressing of real power lodged outside the nation's capital.

Given this formidable array of dangers, what advantages can be advanced that would tip the balance in favor of full federal funding?

The elimination of interstate disparities is one possibility. But to develop a useful program of this kind, something far more complex than simple uniformity would be required. Much of the cost differential among states today reflects differences in the urban/rural mix of prevailing costs of living of different states. Employing federal aid as a lever and an incentive to influence state policies on these matters is one thing, but imposing uniformity through national educational standards is a far more complex and far more centrist approach. And the \$25-billion

cost of raising all states to New York's expenditure level is not irrelevant.

Or consider the benefits to be derived from shifting the funding of education from state and local revenue sources—which are largely regressive or proportional at best—to the relatively progressive federal income tax. Although this argument has some merit, realities have an unfortunate habit of getting in the way. First, the idea of the regressivity of property and sales taxes have been coming under recent attack.⁹ Similarly, while the income tax is nominally a more progressive revenue source, structural imperfections and loopholes make this far less true in practice than in theory.¹⁰ Furthermore, the additional revenues needed would clearly be of a magnitude that might move the President and the Congress to impose a new levy rather than raising more funds through the income tax, a revenue source which is widely considered “unraisable” in political circles. The advantages in equity of a value-added tax over current state and local tax sources is highly debatable.¹¹

One advantage that federal responsibility for educational funding might bring would be an increased concern with the problems of the large cities and of the poor. The evidence of ESEA I fund distribution suggests that federal educational revenues are far more sensitive than local or state funds to these needs. Unfortunately, Title I of ESEA is now enormously underfunded and highly unpopular with the Congress. Its passage came as a result of an unusual combination of forces that followed in the wake of the 1964 election;¹² whether similar legislation could pass today is highly questionable.

It would hardly seem that the marginal advantages that can be put forth in support of full federal funding outweigh its massive dangers. For one of the real strengths of American public education has been the multiplicity of leverage points it affords for public interest, change and adaptation. Eliminating the role of state governments in raising and allocating resources would almost assuredly close off many of these access points. Budgetary allocations are more than fiscal matters; they are policy determinations. If federal officials are exclusively entrusted with funding the schools they will increasingly assume authority for directing them. Bureaucracy likes uniformity. But in a field in which certainties are few, uniformity is lethal. If we remove the creative tensions that multiple controls over education provide, we doom American education to failure in its most pressing quest, the search for effective creativity.

In contemplating a shift from 7 per cent to 100 per cent federal support, it seems only fitting to conclude with a variant of a time-worn joke: “We can't get there from here—and we would be terribly unhappy if we could.”

⁸ Stephen K. Bailey and Edith K. Mosher, *ESEA: the Office of Education Administers a Law* (Syracuse: Syracuse University Press, 1968) p. 99.

⁹ See, for example, C. Lowell Harriss, “Property Tax—Who Pays?” *Tax Review*, Volume 33, Number 4, April, 1972; Mason Gaffney, “The Property Tax is a Progressive Tax,” *Proceedings of the National Tax Association for 1971*, forthcoming.

¹⁰ Joseph A. Pechman, “Federal Tax Policy” (Washington D.C.: The Brookings Institution, 1971), Chapter 4. Also, if the purpose of federal assumption is to link education expenditures to the more equitable, efficient and progressive federal income tax structure, it has been suggested that the same effects can be achieved with minimal loss in state-local educational involvement by allowing state and/or local income tax deduction on federal income tax payments. See Committee for Economic Development, *A Fiscal Program for a Balanced Federalism* (New York: CED, 1967), pp 68–70.

¹¹ Joseph A. Pechman and Benjamin A. Okner, “Alternative Sources of Federal Revenue,” in Charles L. Schultze, *op. cit.*, pp. 443–448.

¹² Stephen K. Bailey and Edith K. Mosher, *op. cit.*, Chapter 2, and Philip Meranto, *The Politics of Federal Aid to Education in 1965* (Syracuse: Syracuse University Press, 1967).

THE MONTH IN REVIEW

A CURRENT HISTORY chronology covering the most important events of June, 1972, to provide a day-by-day summary of world affairs.

INTERNATIONAL

Berlin Crisis

June 3—The four-power accord on Berlin originally initialed in September, 1971, is signed in Berlin by the foreign ministers of the U.S.S.R., Britain, France and the U.S. The signing of the treaty opens "a new era of normalization" for the inhabitants of West Berlin by easing access rights to West Berlin and permitting West Berliners to visit East Berlin and environs regularly.

European Economic Community (Common Market)

(See also *Intl, Monetary Crisis*)

June 26—At a meeting in Luxembourg, Common Market finance ministers and central bank governors agree to buy more dollars if necessary to safeguard existing currency rates following Britain's decision to allow the pound sterling to float on the free market.

Middle East Crisis

(See also *Intl, U.N.*)

June 13—Israeli and Egyptian planes engage in an air battle over the Mediterranean in the first air fight between the 2 countries since July, 1970.

June 21—Military sources in Israel report an Israeli thrust into southern Lebanon by Israeli armor and planes; the capture of 5 Syrian officers, the killing of 9 Lebanese soldiers and the wounding of 17 others are reported. Israeli sources claim the attack was staged to forestall guerrilla attacks from Lebanon.

June 23—It is reported that today Israeli planes and artillery hit Palestinian guerrilla bases inside Lebanon, in response to a rocket attack on an Israeli border town.

June 28—*The New York Times* reports that at a meeting last night between Lebanese Premier Saeb Salam and the Palestinian rebel leader, Yasir Arafat, an agreement was reached on temporary suspension of guerrilla raids to prevent Israeli reprisals.

Monetary Crisis

June 23—The British Treasury announces that the pound sterling will not be supported at its official parity price of \$2.6057; it will be allowed to float. In effect, abandonment of official support for the pound is tantamount to de facto devaluation. It

is expected that free market speculation will force down the price of the pound.

June 29—The pound sterling is traded at \$2.46.

Organization of African Unity

June 15—The 11-day meeting of the Council of Ministers of the Organization of African Unity ends in Rabat, Morocco. The chiefs of state of the countries also met for a 3-day period, beginning June 12.

Southeast Asia Treaty Organization (Seato)

June 27—The annual Seato meeting opens in Canberra.

United Nations

(See also *Intl, Middle East*)

June 5—Representatives of 112 nations open the 2-week United Nations Conference on the Human Environment in Stockholm. The U.S.S.R. and most other European Communist countries are not represented; they are protesting the exclusion of East Germany, which does not belong to the U.N.

June 14—The U.N. Conference on the Human Environment gives approval to a global program, called Earthwatch, to keep watch over the habitability of the world.

June 16—The U.N. environmental conference ends after adopting a declaration of principles to serve as a guide in a global fight on pollution. The declaration, entitled a "Declaration on the Human Environment" contains 26 principles, and was adopted after a week-long debate in closed conference.

June 20—The U.N. Security Council condemns aerial hijacking and asks all states "to take all appropriate measures within their jurisdiction to deter and prevent such acts."

June 26—The U.N. Security Council, voting 13-0 (the U.S. and Panama abstaining), condemns Israeli attacks on Lebanon and calls on Israel to prevent "any violation" of Lebanese territory and sovereignty.

War in Indochina

(See also *U.S.S.R.; U.S., Foreign Policy*)

June 6—The U.S. command says that in the last 24 hours its planes made numerous attacks on North Vietnam and enemy-held positions in South Vietnam, destroying bridges, rail lines and boats.

June 10—John P. Vann, a senior American adviser to South Vietnamese forces, is killed in a helicopter crash on a flight from Pleiku to Kontum.

June 11—The U.S. command reports that its B-52 bombers bombed supply depots in North Vietnam near Donghoi yesterday for the fourth day in succession.

June 12—The U.S. Air Force reports that its planes destroyed a major hydroelectric plant 63 miles northwest of Hanoi yesterday, although the dam at the site had been declared off-limits and was undamaged.

June 14—After 68 days, South Vietnamese sources report that the siege of An Loc by North Vietnamese forces is almost over.

June 15—U.S. Air Force spokesmen report that bombing in the area of Hanoi has been stopped for a 4-day period or as long as U.S.S.R. President Nikolai Podgorny's visit to Hanoi lasts.

June 20—The U.S. command reports the greatest destruction of North Vietnamese anti-aircraft guns by its planes since the start of the North Vietnamese offensive last March 30.

June 22—The Saigon command says that the troops who have been trying to break through to An Loc for the last 2 months have been replaced with fresh forces.

June 23—*The New York Times* reports that American helicopter crews are flying nearly all the difficult support and troop carrying missions into the besieged town of An Loc in South Vietnam because of demoralization of South Vietnamese crews.

June 25—It is reported that yesterday North Vietnamese forces unsuccessfully attempted to break the South Vietnamese defense lines north of Hue.

The U.S. command reports that U.S. bombers have destroyed the Thainguyen steel works, North Vietnam's only modern steel plant, located 30 miles north of Hanoi and 65 miles from the Chinese border.

June 26—An American intelligence officer discloses that the U.S. will not bomb in a 25-mile wide buffer zone along the Chinese-North Vietnamese border.

June 27—The U.S. command reports intensive air strikes yesterday against North Vietnam, including attacks within the city limits of Hanoi and Haiphong.

June 29—South Vietnamese marines and paratroopers begin a drive to regain control of Quangtri Province, in enemy hands for the last 2 months.

BANGLADESH

(See also *India; Pakistan*)

June 19—Prime Minister Mujibur Rahman declares that the trial of some 1,500 Pakistani prisoners charged with war crimes will go forward.

BURUNDI

June 7—In a White Paper made public at the U.N., Burundi reports that tribal warfare between the ruling Tutsi aristocracy (which comprises some 15 per cent of the population) and the majority Hutu tribesmen has killed tens of thousands since fighting began on April 29 in the wake of an attempted coup. The main area of rebellion is Bururi Province in the south.

CAMBODIA

June 6—The government declares that President Lon Nol won yesterday's election with 60.76 per cent of the vote. Former National Assembly Chairman In Tam and former law school dean Keo Ann charge "gross election irregularities," in complaints before the new Constitutional Court.

CEYLON

June 23—It is announced the Prime Minister Sirimavo Bandaranaike met yesterday with Chairman of the Chinese Communist party Mao Tse-tung in Peking.

CHILE

(See also *China*)

June 17—Six Cabinet members lose their posts in the 2d Cabinet revision this year; President Salvador Allende Gossens tells the nation that the new Cabinet will carry forward a more clearly defined program against inflation. Pedor Vuskovic, an independent Marxist and Allende's chief economic adviser, loses his post as Minister of Economy.

CHINA, PEOPLE'S REPUBLIC OF (Communist)

June 10—According to a report by *Hsinhua*, the Chinese press agency, in 1970, 3 heavily populated northern provinces became self-sufficient in grain production. The provinces are Hopeh, Shantung and Honah. According to the report, a further advance was registered in 1971.

China and Chile sign trade pacts, including an interest-free \$65-million loan to Chile.

June 12—The Foreign Ministry describes U.S. air raids near the Chinese border as a threat to China's security.

CUBA

June 7—Visiting Poland, Premier Fidel Castro takes a 3-day tour of provincial areas. He scoffs at reports of ill health.

June 26—Premier Fidel Castro arrives in Moscow on an official visit.

CYPRUS

(See also *Greece*)

June 10—U.N. Secretary General Kurt Waldheim,

in Athens in an effort to help negotiate a settlement of the Cyprus dispute, says he is hopeful. On June 8, Waldheim arranged for a new series of talks between the Greek and Turkish Cypriotes, after a 7-month deadlock.

June 16—President Makarios replaces all but 3 of his 10 Cabinet ministers; the step is seen as compliance with the Greek government's demand made last February, that Makarios fire all ministers regarded as hostile to Greece.

EGYPT

(See *Intl, Middle East Crisis*)

FRANCE

(See also *U.S.S.R.*)

June 20—Secrecy shrouds the beginning of a new series of nuclear tests in the Pacific.

GERMANY, FEDERAL REPUBLIC OF (West)

June 1—Federal and state police capture Andreas Baader and Holger Meins, ringleaders of an anarchist band in Frankfurt who are believed to be responsible for a wave of recent bombings. (See "*Germany*," *Current History*, July, 1972, p. 44.)

June 5—Speaking at a Harvard University convocation in Cambridge, Massachusetts, Chancellor Willy Brandt announces that his government plans to give nearly \$50 million to an independent, American-run educational foundation in the U.S., to be known as the German Marshall Fund of the United States—a memorial to the Marshall Plan.

GREECE

(See also *Cyprus*)

June 5—A joint communiqué issued in Peking and Athens announces that Greece and China have agreed to establish diplomatic relations. The agreement was reached in Albania.

June 17—Deputy Foreign Minister Christian Xanthopoulos-Palamas hails the Cabinet change in Cyprus as "the outset of the normalization of relations" between Cyprus and Greece, after a 4-month dispute.

INDIA

(See also *Pakistan*)

June 11—It is announced in New Delhi that India and Bangladesh have agreed to cooperate in economic development programs. Last week the government of Bangladesh announced a military cooperation agreement with India.

June 28—Indian Prime Minister Indira Gandhi and Pakistani President Zulfikar Ali Bhutto open talks in India.

IRAQ

June 1—The Baghdad radio announces that the gov-

ernment has nationalized the Iraq Petroleum Company, jointly owned by American, British, French and Dutch oil companies. Ten per cent of the Middle East's oil is produced by Iraq Petroleum.

June 7—Iraq and the U.S.S.R. sign a trade and economic agreement in Moscow.

June 10—At a finance ministers' meeting, representatives of 10 Arab oil-producing nations agree in principle to give financial support to Iraq and other nations adversely affected by Iraq's nationalization of the Iraq Petroleum Company.

ISRAEL

(See *Intl, Middle East Crisis*)

ITALY

June 26—Premier Giulio Andreotti forms a center coalition government composed of Christian Democrats, Social Democrats and conservative Liberals. The new Cabinet is sworn into office by President Giovanni Leone.

JAPAN

June 2—In the wake of the massacre at the Tel Aviv airport, the government orders school officials to supervise student radicals more closely and orders tighter surveillance on overseas travelers at airports. (See "*International, Middle East Crisis*," *Current History*, July, 1972, p. 41.)

June 17—Premier Eisaku Sato announces that he will retire; in a subsequent nationally-televised news conference, Sato declares that reporters have been biased; he walks out of the conference.

LEBANON

(See *Intl, Middle East Crisis*)

MEXICO

(See *U.S., Foreign Policy*)

PAKISTAN

(See also *Bangladesh; India*)

June 2—Diplomats in Islamabad report that China has delivered to Pakistan substantial amounts of new military equipment including jet fighters and tanks as part of an economic and military aid agreement worked out in February.

June 17—The government announces a record defense budget; of the total budget of 7.43 billion rupees, more than 4.463 billion rupees is earmarked for defense, roughly 2 million rupees more than last year.

June 27—Speaking to the Pakistani people before leaving for talks with Indian Prime Minister Indira Gandhi, Pakistani President Zulfikar Ali Bhutto tells of the defeat suffered last December in the war with India. He calls for the release of all Pakistani prisoners of war held by India.

POLAND

June 19—President Tito of Yugoslavia arrives in Warsaw for his 3d official visit; some disagreement between Polish party leader Edward Gierek and Tito seems evident, according to news reports.

SOUTH AFRICA

June 6—The government announces a month-long ban on protest marches, gatherings and open air political meetings at all 16 university centers. The ban will remain in effect until July 8.

U.S.S.R.

June 7—*The New York Times* reports that Communist party leaders in Lithuania and officials from headquarters in Moscow have met with local leaders in Kuanas, where student rioting broke out May 18. The rioting was sparked by the immolation of a young man who set himself afire after shouting "Freedom for Lithuania." Several hundred people were arrested. Scores were injured.

June 9—Aleksandr P. Lyashko is named Premier of the Ukrainian Republic, the 2d most important state position in the U.S.S.R. He replaces Pyotr Y. Shelest, who was ousted from the Ukrainian party leadership in May.

June 13—Lithuanian sources report that some 200 young people have been jailed; a second youth reportedly immolated himself about 10 days ago in Varena.

June 15—After a 3-day official visit to Paris by Foreign Minister Andrei A. Gromyko, a Soviet-French statement is issued noting broad agreement.

June 18—On the way back to Moscow after a 3-day visit to Hanoi, President Nikolai V. Podgorny predicts that the Paris talks will soon resume and says the U.S.S.R. will try to help end the war in Vietnam.

UNITED KINGDOM

Great Britain

June 13—The Court of Appeals overturns a decision of the Industrial Relations Court imposing a \$130,000 fine on the Transport and General Workers Union which had been held in contempt in a dispute over who would handle ship containers. The fine was imposed under a new labor law supported by Prime Minister Edward Heath's Conservative government.

Northern Ireland

June 10—Protestants set up 70 barricades in central Belfast to protest the existence of sealed-off areas in the Roman Catholic sections of Londonderry.

June 13—British Secretary of State for Northern Ireland William Whitelaw refuses a guerrilla offer

of a 7-day cease-fire and peace talks; he declares that he "cannot respond to ultimatums from terrorists."

June 15—Whitelaw reveals plans to call a conference "of the people of Northern Ireland" to try to find a common ground to end the strife.

June 18—Civil rights leader Bernadette Devlin, a member of Parliament, asks Irish Republican Army militants to declare a 7-day cease-fire to enable I.R.A. leaders to present their demands to Whitelaw.

June 22—The militant, Provisional wing of the Irish Republican Army announces a provisional cease-fire starting at midnight, June 26, if the British army will reciprocate. Whitelaw announces that the army will "obviously reciprocate."

June 24—Bombings, killings and attacks continue in Belfast and Londonderry.

June 25—It is reported that 5 persons have been shot and killed in the last 2 days. In Belfast, British troops return fire when terrorists attack 2 army posts.

June 27—The cease-fire that began at midnight yesterday is in effect, interrupting 3 years of violence.

June 28—Whitelaw announces that a referendum will be held by the fall of 1972 to allow the people to vote either for or against union with the Irish Republic. Because Ulster Protestants outnumber the Roman Catholic population, it is unlikely that union with the largely Catholic Irish Republic will be approved.

UNITED STATES

Civil Rights

June 6—The United States Court of Appeals for the Fourth District reverses the desegregation order of District Judge Robert R. Merhige, Jr., to merge the schools of Richmond, Va., with those of two adjoining counties. An appeal to the United States Supreme Court is expected.

June 14—In Detroit, Michigan, Federal Judge Stephen J. Roth issues a school busing order calling for the integration of 780,000 schoolchildren in Detroit and 53 suburban school districts. An appeal is expected.

Conservation and Pollution

June 14—William D. Ruckelhaus, administrator of the Environmental Protection Agency, says that virtually all uses of the pesticide DDT will be banned by December 31, 1972.

June 17—The United States agrees to take action to improve the quality of water that flows from the Colorado River into Mexico.

Economy

June 2—The Labor Department says that the season-

ally adjusted Wholesale Price Index rose 0.5 per cent in May and was marked by a renewed increase in food prices. The unemployment rate stayed at 5.9 per cent for the third straight month.

Elections

June 6—Senator George McGovern (D., S.D.) defeats Senator Hubert H. Humphrey (D., Minn.) in the California presidential primary by 5 percentage points and receives all of the state's 271 delegates under the winner-take-all rules of that primary.

McGovern also wins 71 of the 109 delegates in the New Jersey primary election.

June 7—Senator Humphrey says he is staying in the presidential nomination race.

June 14—The Texas Democratic party convention allocates 42 delegates to Alabama Governor George C. Wallace, 34 to McGovern and 21 to Senator Humphrey.

June 20—McGovern scores another victory in the New York presidential primary, receiving at least 255 of the state's 278 delegates. *The New York Times* estimates that he now has 1342.05 of the 1509 delegate votes necessary to secure the Democratic presidential nomination.

June 29—Disregarding California's state law under which the winner takes all, the Democratic National Convention's Credentials Committee divides 151 of the 271 California delegates among the other Democratic presidential candidates who ran in the June 6 California primary, leaving McGovern with 120 delegates.

Foreign Policy

June 1—In Warsaw, President Richard M. Nixon and Edward Gierek, Polish Communist party leader, agree to establish a joint U.S.-Polish commission to expand trade.

President Nixon returns to Washington, D.C., and addresses an evening joint session of Congress describing his two-week tour of 4 nations and the strategic arms accords with the Soviet Union.

June 6—Former Treasury Secretary John B. Connally starts on a month-long mission to 15 nations on three continents on behalf of President Nixon.

June 11—In Tokyo, Presidential adviser on national security affairs Henry Kissinger assures Japanese Foreign Minister Takeo Fukuda that the United States will not undertake major negotiations with China without consulting Japan.

June 12—William J. Porter, chief American negotiator at the Vietnam peace talks, returns to Paris and intimates that the United States is ready to resume the peace talks.

June 15—President of Mexico Luis Echeverria Alvarez addresses a joint session of Congress and expresses interest in preferential tariffs for Mexican

imports and action on persistent border problems.

June 19—The United States announces the full resumption of foreign aid, except for military aid, to Pakistan.

June 23—Kissinger returns after a 4-day meeting with Chinese Premier Chou En-lai and other Chinese officials in Peking.

June 24—Kissinger reviews his China trip for White House newsmen; he is not optimistic about progress in ending the deadlock over Vietnam.

June 28—President Nixon announces that 10,000 more American soldiers will be withdrawn from Vietnam by September 1, leaving 39,000 men there. No new draftees will be sent to Vietnam unless they volunteer.

June 29—At a news conference, Nixon announces that the U.S. will return to the Paris peace talks on July 13.

Government

June 5—Secretary of Defense Melvin R. Laird tells Congress that stepped-up military activity in Vietnam could add \$3 billion to \$5 billion to the defense budget in the coming fiscal year.

June 6—Secretary Laird says he cannot support the recent arms control agreements with the Soviet Union if Congress fails to provide funds for modernization of the offensive strategic forces.

June 8—The Senate approves the nomination of Richard G. Kleindienst as Attorney General by a vote of 64 to 19.

The House of Representatives completes congressional approval of a bill that will delay for up to 18 months the carrying out of lower court orders requiring busing to desegregate schools. The bill also contains major innovations in federal programs for higher education and provides funds for schools and students at every educational level. The vote is 218 to 180 and the bill now goes to the President for his signature.

June 13—President Nixon formally asks for congressional approval of the two strategic arms limitation agreements signed in Moscow last month.

June 21—The Price Commission recommends that raw agricultural products, now exempt, be placed under price controls.

June 22—President Nixon says that American security interests will be "very seriously jeopardized" if Congress fails to support the \$25-billion program to modernize offensive strategic forces while approving the agreements limiting strategic arms.

June 23—President Nixon signs the federal aid to education bill, including antibusing provisions. He issues a statement deriding Congress for not enacting more far-reaching, antibusing provisions.

Nixon names 5 states—Florida, Maryland, Pennsylvania, New York and Virginia—as federal dis-

aster areas in the wake of tropical storm Agnes, which has caused the most severe flooding in U.S. history.

June 26—Nixon orders the removal of all quotas on meat imports in an attempt to reduce meat prices.

June 29—Nixon places controls on the retail and wholesale prices of fresh produce and raw seafood.

June 30—The House completes congressional action on a bill to raise the national debt ceiling to \$450 billion. The bill also increases social security benefits by 20 per cent.

Nixon vetoes a bill to increase federal funds for the Corporation for Public Broadcasting.

Labor

June 16—Federal District Judge William B. Bryant orders new elections for the leadership of the United Mine Workers of America and designates the Department of Labor to supervise the union until January 1.

June 27—President W. A. Boyle of the U.M.W. is sentenced to 5 years in jail, and fined \$130,000 for illegal political contributions made with union funds.

Military

June 3—According to *The New York Times*, the Army's secret report (known as the Peers Report) on the Mylai 4 massacre of March 16, 1968, concluded that "efforts to suppress and withhold information concerning the . . . incident were made at every level in the Americal Division."

June 4—*The New York Times* reports that the Peers report revealed that a second massacre involving the killing of as many as 90 civilians took place on the same day as the massacre at Mylai 4.

June 12—General John D. Lavelle admits that he was relieved in March as commander of Air Force units in Southeast Asia for ordering his planes to make "in the neighborhood" of 20 unauthorized raids on targets in North Vietnam and reporting them as "protective-reaction" raids.

June 14—According to congressional testimony, the Air Force has reported that a structural defect may affect up to 40 per cent of its B-52 bomber fleet.

June 20—President Nixon nominates General Creighton W. Abrams, commander of United States forces in Vietnam, to succeed General William C. Westmoreland as the Army Chief of Staff.

Politics

(See also *Elections*)

June 7—Senator George McGovern (D., S.D.) says that if he is elected President he will go to Hanoi or Paris to end the war and obtain the release of the prisoners.

June 9—Senator Edmund S. Muskie (D., Me.) re-

fuses to endorse Senator-McGovern and says he is staying in the race for the Democratic presidential nomination.

Supreme Court

June 7—In a decision limiting a previous ruling of the Supreme Court, the Court rules 5 to 4 that suspects may only demand presence of counsel at lineup identifications that take place *after* they have been indicted.

June 12—By a 6-3 vote, the Court rules that states do not act unconstitutionally when they grant liquor licenses to private clubs practicing racial discrimination.

The Court rules that no poor person may be jailed for a petty offense unless he has been furnished a free lawyer or has waived his right to legal counsel.

June 19—By a vote of 8 to 0, the Court says that it is unconstitutional for the federal government to practice wiretapping of suspected domestic radicals without first obtaining court approval.

June 26—Voting 5 to 4, the Supreme Court rules that the courts may not review the question of whether military surveillance of civilian political activities is constitutional, unless individuals can show that they have been harmed in some specific, objective way by such surveillance.

June 29—The Supreme Court rules, 5 to 4, that journalists may not refuse to divulge their confidential information to grand juries.

In 5 separate concurring and 4 dissenting opinions the Supreme Court rules that capital punishment, as it is administered in the U.S., violates the 8th Amendment's prohibition against "cruel and unusual" punishment.

VIETNAM, REPUBLIC OF (South)

(See also *Intl. War in Indochina*)

June 2—The Senate refuses to empower President Nguyen Van Thieu to rule by decree.

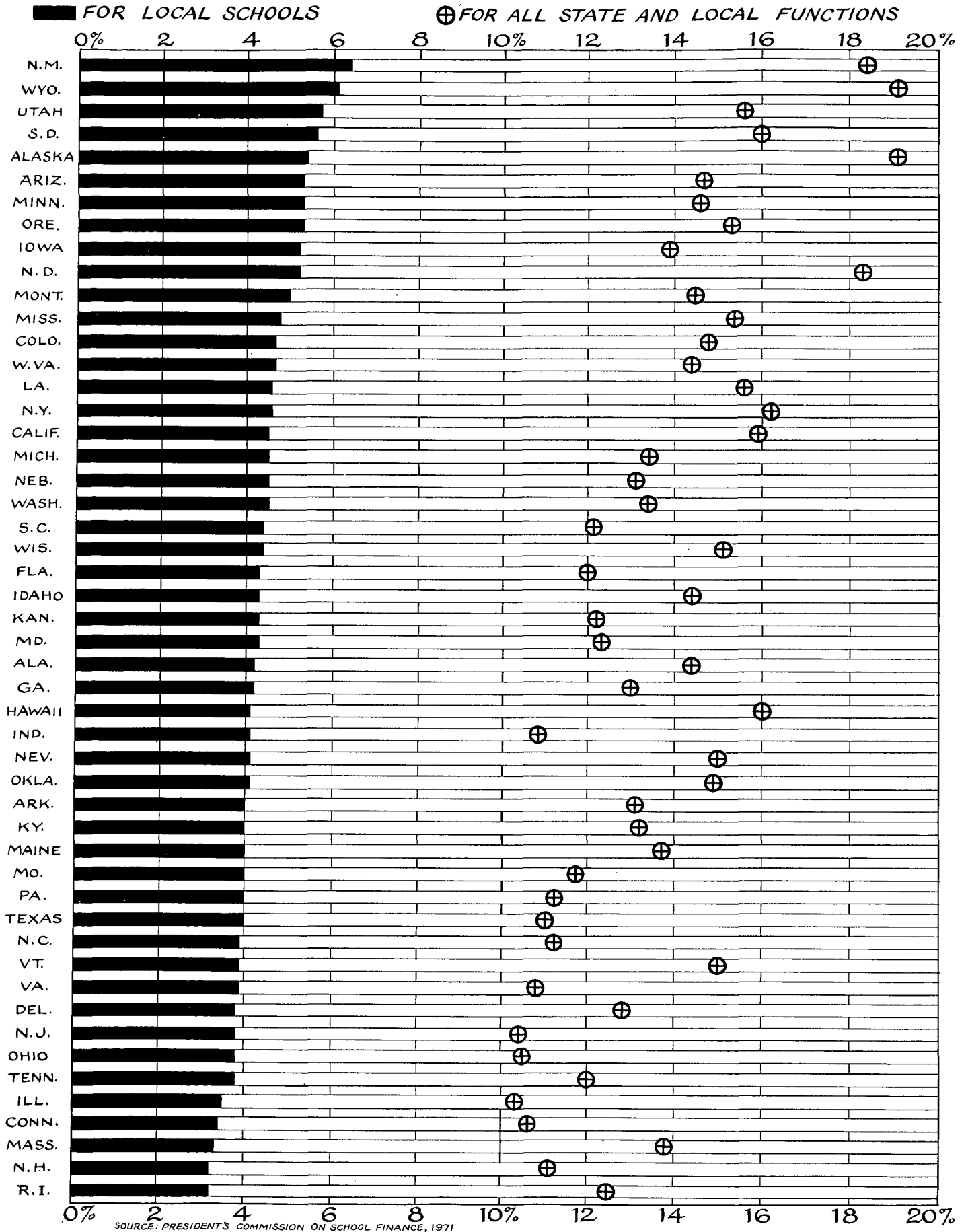
June 10—The House of Representatives refuses to override the Senate and give Thieu emergency power to rule by decree. Instead, it passes a bill giving Thieu decree powers limited to national defense and the economy.

June 27—South Vietnam's Senate authorizes President Nguyen Van Thieu to rule by decree on defense and economic affairs for 6 months. The 26-0 vote granting these powers occurred after Opposition senators departed in the belief that the vote had been postponed until tomorrow.

YUGOSLAVIA

June 5—President Tito is warmly welcomed in Moscow on his first visit in 7 years; he receives the Order of Lenin.

Percent of Per Capita Income Spent by States 1968-1969



AVAILABLE FROM Current History

Academic Year 1972-1973

- | | |
|--|---|
| <input type="checkbox"/> American School Finance: A History (6/72) | <input type="checkbox"/> Southeast Asia, 1972 (12/72) |
| <input type="checkbox"/> American School Costs (7/72) | <input type="checkbox"/> The Middle East, 1973 (1/73) |
| <input type="checkbox"/> Financing America's Schools Tomorrow (8/72) | <input type="checkbox"/> Latin America, 1973 (2/73) |
| <input type="checkbox"/> Mainland China, 1972 (9/72) | <input type="checkbox"/> Africa, 1973 (3/73) |
| <input type="checkbox"/> The Soviet Union, 1972 (10/72) | <input type="checkbox"/> West Europe, 1973 (4/73) |
| <input type="checkbox"/> India and South Asia, 1972 (11/72) | <input type="checkbox"/> East Europe, 1973 (5/73) |

Still Available

AREA STUDIES

- ☐ Latin America, 1971 (2/71)
- ☐ Africa, 1971 (3/71)
- ☐ Japan, 1971 (4/71)
- ☐ East Europe, 1971 (5/71)
- ☐ Communist China, 1971 (9/71)
- ☐ The Soviet Union, 1971 (10/71)
- ☐ Southeast Asia, 1971 (12/71)
- ☐ The Middle East, 1972 (1/72)
- ☐ Latin America, 1972 (2/72)
- ☐ Australia, 1972 (3/72)
- ☐ Canada, 1972 (4/72)
- ☐ West Germany, 1972 (5/72)

AMERICAN ISSUES

- ☐ The American Cities (12/68)
- ☐ U.S. Military Commitments in Asia (8/69)
- ☐ Black America (11/69)
- ☐ U.S. Resources: A Tally Sheet (6/70)
- ☐ America's Polluted Environment (7/70)
- ☐ Options for a Cleaner America (8/70)
- ☐ Urban America (11/70)
- ☐ The American System of Justice (6/71)
- ☐ American Justice at Work (7/71)
- ☐ Improving Justice in America (8/71)
- ☐ Welfare and the New American Federalism (11/71)

CURRENT HISTORY ANNUALS

Day-by-day, country-by-country reviews of each year's events, adapted from *Current History's* "Month in Review," are indexed in a single volume annually as a service to our readers. Each Annual also contains the index to a year's issues of *Current History*.

CURRENT HISTORY BINDER

A sturdy, hard-cover binder at a reasonable cost will protect *Current History* for permanent reference. Each issue can be placed in the binder every month. The easy-to-use binder holds 12 issues plus the Annual securely in place over flexible steel rods.

ONE-YEAR SUBSCRIPTION: \$9.50; **TWO-YEAR SUBSCRIPTION:** \$18.50.

NINE-MONTH SUBSCRIPTION: \$7.95.

SEVEN-MONTH STUDENT SUBSCRIPTION: \$5.95.

SPECIFIC ISSUE PRICE: \$1.00 per copy; 10 or more of the same issue, 65¢ per copy.

CURRENT HISTORY ANNUAL PRICE: \$2.45. **BINDER PRICE:** \$3.50.

CURRENT HISTORY • 4225 Main Street • Philadelphia, Pa. 19127

SPECIAL SUBSCRIPTION OFFER: your choice of 3 free issues.

- ☐ 1 year \$9.50, plus 3 free issues marked above.
- ☐ 2 years \$18.50, plus 3 free issues marked above.
- ☐ Please send me the issues I have indicated above in the quantities I have marked.
- ☐ Send me 9-month subscriptions. ☐ Send me 7-month subscriptions.

CURRENT HISTORY ANNUALS

- ☐ Annual, 1972, at \$2.45 each
- ☐ Annual, 1971, at \$2.45 each
- ☐ Annual, 1970, at \$2.45 each

CURRENT HISTORY BINDER

- ☐ Current History Binders
at \$3.50 each.

Name

Address

City State Zip Code

☐ Check enclosed. ☐ Bill me. Add 50¢ for Canada; \$1.00 for foreign.

All these offers are good only on orders mailed directly to the publisher.

Specific issue price based on a single mailing address for all issues ordered.

Property of
AMBASSADOR COLLEGE LIBRARY
Big Sandy, Texas

AMBASSADOR COLLEGE
LIBRARY
BIG SANDY
TEXAS
75755